

Chapter 8

Investigating Regimes of Re/Productive Finance

At the beginning of chapter 4, I argued that any research necessarily involves abstractions to reduce complexity and make inquiries practicable. However, I also highlighted that the process of abstraction is no one-way road. It must relate back to concrete realities to become meaningful. In this sense, this part discusses how the rich theoretical substance discussed in previous chapters relates to the concrete research process. I will first introduce the method of incorporated comparison and regime analysis to operationalise the notion of re/productive finance. Then I will reconstruct the empirical research process, including sampling, data collection and analysis.

Incorporated Comparison as Relational Research Strategy

Many studies on financial inclusion would be categorised as comparative research.¹ Drawing on indicators like bank account ownership of adults, incidence of borrowing in the past year, or use of digital financial services, such studies compare the progress of financial inclusion in different countries throughout the world (see Chapter 2). These comparisons usually impress with vast databases consisting of many observations, allowing for statistically rigorous explanations. This research is particularly appealing for academics, policymakers, and public debates because it allows us to identify precise stages of development regarding financial inclusion in respective contexts.

Despite its attractiveness, this type of research faces some fundamental problems. First, the unit of analysis (e.g. bank account ownership) is used as a data category and theoretical category, conflating observational and explanatory units (Ragin 2014, 8f.). If we observe a lower share of bank account ownership amongst adults in

1 While all empirical research is comparative to a certain extent, comparisons in social research usually refer to identifying similarities and differences between large macrosocial units (Ragin 2014, 6).

India compared to Germany, the World Bank and other proponents adopting such methodology jump to the conclusion that bank account ownership *explains* the level of financial inclusion/exclusion. This leads to a second fundamental problem of positivist comparisons: Assuming that their unit of analysis are somewhat discrete entities that a common metric can measure, this type of research abstracts one-sidedly from the historically and socially conditioned reality. In the end, the reasoning employed seems overly simplistic and unable to understand why, under which conditions and with what purpose people in India/Germany choose to (not) open a bank account. Finally, these criticisms are linked to a third problem this research strategy faces. By parcelling out neat indicators, the latter do not relate to other indicators in a constitutive way. Consequently, the policy prescriptions suggest that increasing bank account ownership or widening access to credit is necessarily beneficial and promotes financial inclusion, irrespective of how these measures impact people's real lives through interacting in complex ways with other indicators.

This section suggests a different type of comparison sensitive to historical and social embeddedness of investigated phenomena. Philip McMichael developed the “incorporating comparison” (1990) to avoid both the upward conflation immanent in most mainstream comparative social research and downward conflation – in the form of structural determinism – predominant amongst some critical political economy approaches, like world-system theory. Rather than juxtaposing discrete cases or indicators to identify common and contrasting patterns of variation, an incorporated comparison proceeds through an internal “historical inquiry, where process-instances are comparable because they are historically connected and mutually conditioning” (McMichael 2000, 671). In contrast to focusing on an external analysis that contrasts similarities and differences of given instances, it prioritises a focus on “internal dynamics” of those social and historical relations that form an evolving whole. Such a research strategy implies that the composition and context of the units of analysis (e.g. access to credit amongst different social groups) do not exist prior to or are independent from the investigation of the relations through which it comes into being. Finally, this framework allows to explore both spatial and historical relations that underpin observable phenomena (McMichael 1990, 2000, 2019).

In line with the distinction between determinations and determinism outlined above, the mode of explanation and exploration does not eschew generalisations but highlights that every generalisation is historically contingent “because the units of comparison are historically specified” (McMichael 1990, 386). Hence, tracing presuppositions of the present whole must necessarily engage with historical reconstruction. The central claim of re/productive finance that subaltern working classes in India must organise their livelihoods through indebtedness because of a structural subsistence crisis is a generalisation. However, rather than taking this claim for granted, it must be historically, theoretically, and empirically reconstructed to

have any validity. This includes showing how this general characteristic differs significantly over time and in concrete contexts when looking closer at, for example, the interplay between the creditor institutions, the borrower needs, the accumulation dynamics, the mediation through state institutions, and the agency of social forces.

By investigating the historical and social relationality of the present configuration, the incorporated comparison allows us to trace determinations of social change in a non-teleological and non-totalising way, opening promising pathways to integrate the postcolonial critique of modern science (Hart 2016). It thereby acknowledges how different regions and scales in the global political economy are interconnected, rejecting any form of “methodological nationalism” or “methodological Fordism” prevalent in some political economy analyses (Gallas 2023; McMichael 2019). This interconnection pertains to the fundamental role of the capitalist world market (including class struggles, formation of nation-states, etc.) and their systematic imbrications with colonialism and imperialism (Hart 2016). In practice, regime analysis has often used the incorporated comparison explicitly or implicitly in critical political economy.

Regimes of Re/Productive Finance

Regime analysis can be considered a rather young tradition within critical political economy. In recent years, several innovative studies have emerged around *labour control regimes* (Anner 2015), *regimes of social reproduction* (Fraser 2016), *Sweatshop Regime* (Mezzadri 2017), *regimes of dispossession* (Levien 2018) or *hydrosocial regimes* (Goldman and Narayan 2019), to name but a few. However, the precursors of this type of regime analysis date back to the 1980s, including most prominently Harriet Friedman’s and Philip McMichael’s *food regime analysis* (McMichael 2009) or Michael Burroway’s notion of *factory regimes* (Burroway 1985). Rather than engaging with the particularities of each of these approaches, the following seeks to outline some general features that characterise regime analysis as methodological perspective.

Despite differences in focus and application, these approaches all seek to investigate present-day empirical phenomena while keeping in mind the broader political economy and historical contexts. They usually start from ordinary questions related to concrete reality, like What food is produced by whom and under what conditions? Who oversees and who is subjected to the exploitation of labour in global value chains that produce the clothes, electronics, and food we consume daily? How is the provisioning of (clean) water organised in rapidly growing metropolitan areas? Which conditions impel labourers to resist exploitation? Based on these ordinary entry points, they employ historical, theoretical, and empirical modes of investiga-

tion to construct a complex argument which explains the current configuration as a result of specific social and historical relations.

In this sense, the first characteristic of a regime analysis in critical political economy is its focus on the relative coherence and stability of a governance configuration related to a specific issue, for example, subaltern indebtedness in India. Methodologically, these regime analyses operate at a level of analysis which is more concrete than general features and abstract concepts that characterise the global political economy but more abstract than empirical investigations into people's daily lives (see Figure 8). As such, it allows to explore a specific spatiotemporal configuration by linking it with both general (abstract) and distinct (concrete) features. In this context, the notion of regime is useful to point to multiple actors and institutions, as well as dynamics of power, oppression, and resistance, which converge in a defined spatial and temporal context to produce a distinct political economy that governs everyday life. It is intimately linked with projects and processes of state building, but it also comprises the political power of capital, labour, and civil society. As such, it allows us to transcend the liberal binary between state and market or politics and economy to produce more complex understandings of different manifestations of governance.

The second defining characteristic of a regime analysis is its relational nature. Respective approaches seek to uncover depoliticised processes and institutions by revealing the hidden connections between seemingly disparate processes. In his seminal contribution, *The Politics of Production*, Michael Burawoy argues that specific factory regimes are not only about organising the division of labour. They also include political and ideological apparatuses of production which secure and obscure the appropriation of surplus value (Burawoy 1985, 8). As such, a critical regime analysis shifts our attention to those relations, processes and institutions which usually appear as normalised or naturalised background conditions. As Mezzadri (2017) demonstrates in the case of India's garment industry, regime analysis is not confined to a particular workplace, set of workers, commodities, or business strategies. Rather, it focuses on the *interrelations* of all these seemingly disparate processes and agents, demonstrating the significance of their coalescence. In this regard, a regime analysis provides a practicable toolbox to explore why and how certain relations have become depoliticised and normalised in distinct social configurations. Moreover, it can assess the continuities and changes within the political economy that governs everyday life in the long run.

Finally, a regime analysis not only provokes questions about social change but explores opportunities and obstacles that different social agents face in specific contexts. As such, it takes the irreducibility of structure and agency seriously, engaging with the temporality of what Margret Archer calls "social elaboration" (Archer 1995, 71). The notion of labour control regimes, for example, has been usefully employed in labour studies on global value chains to make sense of the variegated structural

hindrances to organising labour and struggling for decent work (Anner 2015; Patenden 2018). Importantly, a regime analysis allows for an incorporated comparison, outlining the specificities of state-, market-, or employer-dominated labour control regimes, while maintaining that they are part of a fragmented whole. As such, a regime analysis not only mediates between different levels of abstraction, it also potentially shows sensitivity to the temporal coalescence and yet difference between structural constraints and agent's strategies. Likewise, studying (resistance to) regimes of dispossession in post-colonial India, Levien (2018) has argued that the political apparatus for coercively redistributing land, and the forms of resistance against it, have changed between the state-led regime of dispossession up until the 1980s, and the neoliberal market-led regime of dispossession since the 1990s.

In sum, a regime analysis provides a useful tool for critical political economy by linking more abstract methodological and theoretical concerns with historical and empirical research without super-imposing one on the other. What makes this type of regime analysis critical is its potential to challenge prevailing explanations in social sciences while simultaneously questioning those oppressive and power-laden social structures it investigates. As such, it follows Marx's call to not take the forms of appearance for granted but to investigate and explain them as a result of specific social relations. It is an obvious reality that throughout the world, hundreds of millions of households lack sufficient money to live a decent life. If one takes this as unproblematised starting point of analysis and policymaking, it might make sense to expand access to credit for respective households and to incorporate them into the formal financial system. If, however, this apparent, concrete reality is investigated as a social and historical product, and the demand for money is rooted in a chronic subsistence crisis which is associated with the interlocking dynamics of (super-)exploitation, expropriation, and exclusion, the entire financial inclusion discourse becomes at least contradictory, if not nonsensical. Therefore, such analysis helps to politicise what is taken for granted in academia, public policy, and common sense, provoking necessary questions for radical change.²

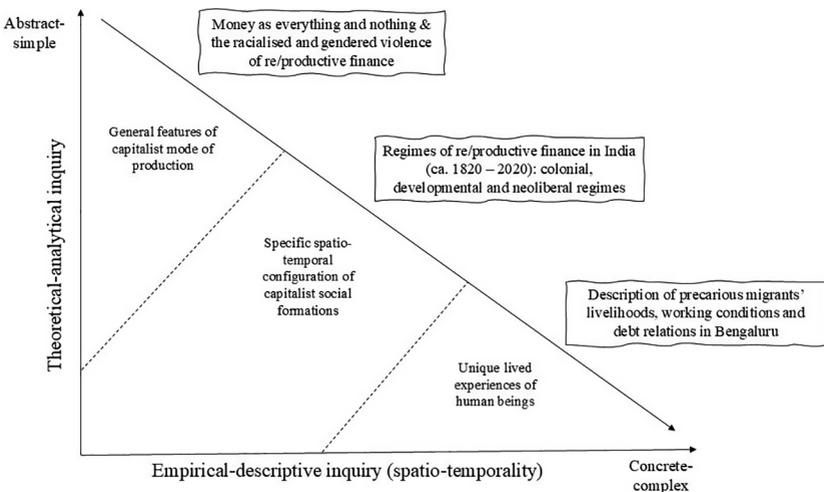
In consciously using abstractions, I draw on Ollman's (2015) distinctions between three necessary abstractions for any research project: (a) the abstraction of extension, (b) the abstraction of generality, and (c) the abstraction of vantage point. The question of extension defines the boundaries of which of the innumerable internal relations one conceives of actively. As such, it delineates both the spatial and temporal limits of investigation, making the research process feasible. This research focuses on India as one of the most dynamic microfinance markets in the world and an important territory for the development project of financial inclusion (see Part I). It focuses its investigation roughly on the past 200 years to embed

2 Radical change is meant in a literal and etymological sense here, that is questions and discussion around the *root* causes and obstacles to a decent life for all.

contemporary critiques of financial inclusion into a *long durée* perspective, considering the profound changes and legacies that British colonialism triggered on the subcontinent in the nineteenth century.

The abstraction of generality substantiates the layers of abstraction that come into focus. This research operates on three levels of abstraction (see Figure 8). At the most abstract level, it draws on and develops concepts that characterise general features of the capitalist mode of production and its imbrication with colonialism, i.e. money as societal relation of oppression, social re/production, or racialised capital accumulation. At a more concrete level, it uses both modular forms of the incorporated comparison. Part III engages with the “multiple form” to compare how distinct regimes of re/productive finance in modern India are “products of a continuously evolving process in and across time” (McMichael 1990, 389). This analysis enables a systemic view of access to credit for subaltern working classes since the late eighteenth century, contextualising the rather recent rise of commercial microfinance within a broader history of racial finance capitalism. Based on this overview, Part IV zooms in on the contemporary regime of re/productive finance at a more concrete level of abstraction. Investigating the livelihoods of diverse migrant labourers in the south Indian metropolis Bengaluru, it employs a “singular form” of incorporated comparison, understanding their “shattered story” as variations in space within a specific conjuncture (McMichael 1990, 389).

Figure 8: Investigating Regimes of Re/Productive Finance through Levels of Abstraction



Source: own illustration.

The notion of re/productive finance allows us to understand the continuities and changes related to the gendered and racialised proletarian indebtedness through the interlocking dynamics of expropriation, exploitation, and exclusion. It highlights the multiple fractures that run through the social body, the working class, and individual lives and how financial expropriation is based on the “accumulation of differences, inequalities, hierarchies, divisions” (Federici 2004, 115). As such, it can conceptually grasp the chasm between the benevolent rhetoric and structural violence of financial inclusion outlined in the introduction. Proponents of financial inclusion advertise the widened access to credit as a win-win situation. Low-income households receive money to smooth consumption expenditure, and financial markets and institutions can expand their reach. In contrast, understanding this development strategy in the context of a historically specific regime of re/productive finance brings into view the multiple relations of domination and oppression which constitute the demand for money. Re/productive finance describes the tendency of (subaltern) working-class households to use debt as a strategy to manage the costs of social reproduction while repayment is ensured, amongst other things, by pushing the cost of living below a certain subsistence level. As such, it builds on the notion of the financialisation of social reproduction, expanding it to account for the longer history of racial finance capitalism.

In Part III, I will argue that it is possible to identify three distinct regimes of re/productive finance in modern India: a colonial regime (ca. 1820 – 1940), a developmental regime (ca. 1940 – 1990), and a neoliberal regime (ca. 1990 – present). To investigate the difference of subaltern working class indebtedness over a long time span and to delineate them from one another, I suggest employing an incorporating comparison based on three interlocking dimensions: (a) the changing (global) political economy and specifically, the distinct accumulation regime; (b) the social stratification and effects this type of accumulation produces for subaltern classes, including the link between a chronic subsistence crisis and debt relations (c) the shifting modes and means of governing access to credit, including the specific forms of dependency and exploitation and contradictions it entails.

The final necessary abstraction of the vantage point refers to the perspective the inquiry takes, specifically from where it starts. In accordance with the theses outlined above, I start from the vantage point of chronic indebtedness, particularly but not exclusively visible amongst India's large and growing rural-urban migrant labour force, to trace the historical presuppositions of distress-driven indebtedness backwards. In this process, I change vantage points to sometimes look at processes and relations from the borrowers' perspective, creditor institutions' point of view, or other major actors shaping and dealing with the dynamics of changing access to credit, like civil society organisations and policymakers. The shift in vantage points is not arbitrary. It acknowledges a commonplace in radical feminist research, namely that knowledge is always an “embodied practice” by particular groups of

people in specific settings (Connell 2007, 217). Of course, it is impossible to fully explore all these vantage points in their entirety. There are considerable limits put forth by the collection and interpretation of my primary data. Hence, the following section will reconstruct the qualitative research process, reflecting on data collection and processing.

Windy Roads to Sampling

This research emerged within an interdisciplinary research project that investigated the socio-ecological changes in peri-urban Bengaluru as one of the fastest-growing metropolises in Asia. Initially, one of the sub-projects aimed to find out how access to credit amongst the peri-urban population had changed over time. Therefore, in the nascent stages of the research, a survey format was conducted to find out about the socio-economic characteristics, current access to financial services (esp. credit), changes in the past decades as well as how households coped with shocks affecting their livelihood (like crop loss, land loss, deaths, etc.) along a spatial gradient stretching from rural Bengaluru to urban Bengaluru, and comprising different villages/settlements. From this first round of field research, two findings stood out. Firstly, talking about money and debt was extremely sensitive and interviewing people in a survey format seemed to be of limited use, despite the voluntary participation of interviewees. Although I explained the purpose of the research and how the data will be used, people seemed reluctant to share details and the information given on credit (amount, sources and purpose of loan) was often contradictory and changed decisively during the interview.³ I realised that in addition to being hesitant in talking about money with strangers, chronic indebtedness, especially comparatively low sums for household reproduction, was normalised to such an extent that many people did not mention them as anything significant worth talking about.

The second finding that changed the course of the research was the significance of social stratification. In the broader research project, investigating the peri-urban was largely defined in spatial terms, comparing different locations in their size and proximity to the urban centre. The idea behind it was to understand the stages of urban development in terms of vegetation, land use, access to credit, etc. – as if these played out in a linear way. Put differently, a Modernist understanding informed it,

3 For example, interviewees would say that they don't borrow credit at all, or that they borrow credit only for agricultural purposes, like digging a borewell or buying fertilisers. However, when asked specifically about whether they had faced any shocks that adversely affected their livelihood in the past decade and how they had coped with such events, most mentioned that they had borrowed money. Yet only few were willing to talk more about the sources, conditions and implications that borrowing had on their household economy.

assuming that a higher degree of urbanisation (measured in population density, infrastructure, valuation of land, etc.) would automatically lead to widened access to credit. Such an account, however, is ill-fit to grasp the differences that both dynamic processes of urbanisation and changes in access to credit have on various segments of society. In other words, the Modernist paradigm tends to ignore the relevance of how social positioning matters and how it informs the way debts become significant in people's lives. From a critical social sciences perspective, relations of power and exploitation that shape differential experiences, opportunities, and impacts are turned into a crucial starting point to investigate social phenomena.

At the empirical level, this problem became apparent when comparing upper-caste farmers with more than four acres of land in rural Bengaluru with low-caste migrant workers without land ownership in urban Bengaluru. While the former had taken a loan for Rs. 150,000 from a cooperative society to invest in irrigation facilities and facilitate a change in crop towards silk production, the latter struggled as a domestic worker to secure small loans from a local SHG, an MFI and moneylenders. While the former – though residing in the distant urban hinterland – had no difficulties in accessing and repaying a large loan due to his land ownership and caste affiliation that matched the governance structure of the local agricultural cooperative, the latter – though living within the busy boundaries of the megacity – accessed small sums through various sources and constantly struggled to serve them. Where they lived on the rural-urban gradient was almost irrelevant to understanding how access to and use of credit shapes their livelihood. What was significant instead is the social positioning and how, in the latter case, this related to spatial patterns of rural-urban migration that may stretch several hundreds of kilometres from a village in Raichur (Northern Karnataka) to a makeshift settlement in urban Bengaluru.

I thus changed the methodological approach rather quickly during the first round of field research. By engaging with critical urban ethnography and critical agrarian studies, I began to focus on precarious migrant labourers in Bengaluru as an entry point to investigate rural-urban interlinkages. As a significant and increasing population, circular and seasonal migrant labourers provide a unique, relational, and complex understanding of rural-urban linkages in contemporary India. Following qualitative methods developed in critical geography, I incorporated space not just as a given background condition but as something that is being socially produced in relation to time, embodiment and daily practices, which thus helps to investigate the changing nature of access to credit (Kuntz 2012; see also Venegas and Huerta 2012). In this sense, observations and explorations of where and how migrant labourers living in makeshift settlements access water may turn into important vantage points through which debt relations can be traced and connected with, for example, the privatisation of land (including lakes and other water bodies) and other broader political and economic dynamics. Parallel to this adjustment, the research design and strategy also became increasingly refined as

one centred around regimes of re/productive finance, using the multiple and single modular forms of incorporating comparison.

Picture 1: Kodigehalli Lake, October 2002



Source: GoogleEarth.

Picture 2: Kodigehalli Lake, October 2018



Source: GoogleEarth

Importantly, the household interviews were not pre-arranged, but the sampling happened spontaneously and yet planned through geolocation. Prior to the field trips, I assessed two regions (polygons) in the North and East, focussing on three main criteria: Firstly, these locations were on the outskirts of the city twenty years ago but are now well incorporated into the boundaries of the city, testifying to the production of urban space. Secondly, both locations have a high number of scattered slums, where predominantly migrant labourers reside. Thirdly, these areas are marked by several branch offices of major microfinance institutions (MFIs), making it likely that borrowers also live in the surrounding. Inspired by Krishna et al. (2014), I used satellite images from Google Earth to construct polygons in different areas of the city which matched these three criteria. Pictures 1 and 2 demonstrate how the land-use change can be visually traced over time, showing how lakes dry out, agrarian land becomes increasingly occupied by concrete housing, and makeshift settlements emerge.

Based on this preliminary desktop sampling, the field research was influenced by ethnographic strategies, like spending a long time at the research sites, talking to those who are present, observing and documenting the living conditions, and, of course, conducting narrative interviews (Venegas and Huerta 2012).

The Purpose of Interviews: A Relational Account

The overall research question grounding this project was why and how microfinance could expand at such a rapid scale in recent years. To understand how microfinance works, I suggest embedding the workings of microfinance in the broader investigation of regimes of re/productive finance, which trace access to credit for India's subaltern working class. To account for the basic premises of regime analysis, I consciously shifted between different vantage points, including migrant labourer households, microfinance institutions (MFIs), civil society actors (CSA), and the Reserve Bank of India (RBI). Accordingly, the field research navigated narrative and expert interviews to explore the unique perspective each actor group offered. In total, the research built on 68 household and 21 expert interviews (see Appendix).

The primary objective of household interviews was to gain knowledge of how debt shapes and is shaped by their livelihood. It tried to understand why and how microfinance works from the perspective of migrant labourers. Thus, narrative interviews seemed more promising than the initial survey format. The former foreground the life stories of these migrant workers and “aims at using the more detailed, contextualized and personal style of talking in storytelling to enrich the interview data” (Flick 2022, 238). However, the concrete application is best understood as focused narrative interviews or episodic narrative interviews (Mueller 2019). Instead of letting interviewees narrate their entire lives, it focused on the relevance of

indebtedness, focusing on specific significant episodes, like the reasons for labour migration.

This hybrid method allowed me to overcome the obstacles of the survey format, allowing for a more trustful and accessible interaction (less structured and distanced) and providing an in-depth account of the relevance of debt in migrant labourer's lives while staying open to understanding people's living circumstances in their own terms. Despite acknowledging the uniqueness of every single story and how individuals experienced distinct episodes, this method allows for the layering of narratives, discerning patterns that occur across participants' experiences (Mueller 2019). A relative saturation of interviews was indicated by the fact that similar tropes, patterns, accounts and concerns emerged from the narratives, indicating that general mechanisms seemed to be at work.

Importantly, the interviewees were not addressed as microfinance customers. Rather, the role of debt was focused by embedding it in their life stories, while their significant commonality was being precarious migrant labourers residing in an urban slum. Moreover, I consciously chose to investigate them through their household economy rather than as individuals, acknowledging the theoretical framework of social reproduction feminism. The latter assumes a privileged position of households to explore the power-laden, contradictory, and conflictual relationship between the different and yet inseparable spheres of the economy and types of work. The field visits were conducted during the day when many daily labourers were out for work. But given the inconstant nature of daily work, there would always be workers staying home, usually ready to tell their stories. Significantly, those staying back were often women and children. Primarily interviewing women matched the research objectives for two reasons. On the one hand, almost all borrowers involved in debt relations through self-help groups (SHGs) or microfinance institutions (MFIs) are women. On the other hand, they share multiple burdens of care and waged work, having a different knowledge and experience of how household debts are lived and worked through, both productive and reproductive. But there were also patriarchal constraints to this sampling approach. Being a foreign man, despite being accompanied by a local female research assistant, a certain socio-cultural distance constrained the depth of narrative interviews. In some cases, women were eager to talk about the reasons for migration, how they struggled at work (usually construction or domestic work), and what burdens of unpaid labour they shouldered on a daily basis. However, when talking about sources and types of debt, they replied that their husbands oversaw those monetary issues and that they didn't know anything about it.

While this hybrid approach certainly had advantages compared to the initial research design, I don't intend to portray it as one without flaws.⁴ Perhaps most importantly, as a non-native with no relevant knowledge of Kannada, Tamil and Hindu – the three most common languages spoken by interviewed migrants – I had to rely on local research assistants for translation. And instead of recording interviews, which made people anxious, I limited documentation to taking detailed notes during and after each interview, and to reflecting on the field research experience in a diary. Following the standard ethnographic approach and spending several months in one or two specific locations would have certainly enriched the collected data, based on more trustful and deep social relationships, as well as a more complex understanding of people's livelihoods. And recordings of people's accounts in their own words would have certainly been more accurate. However, the approach taken had pragmatic reasons, which were informed by several real-world constraints I faced as PhD researcher, including limited time in the field (two rounds of field research for each two months), personal sickness during this time, financial constraints, and my involvement in teaching and care work in Germany.

Despite these shortcomings, the household interviews are one significant pillar of the overall research design. Employing a single form of incorporated comparison, I focused on three types of migrant labourers, namely construction, domestic and garment sector workers. On the one hand, these are the largest occupations for migrant labourers in Bengaluru and thus represent a large share of the city's slum population and subaltern working class. On the other hand, they are also different in many respects, especially with regard to how their labour and the broader sector are positioned within the overall political economy. Rather than comparing these three as self-sufficient entities, I use them as vantage points that shed light on a specific aspect which – despite its specificity – speaks to the broader conditions of indebtedness amongst rural-urban migrant workers. In this sense, the unique experience of migrant workers and the patterns that emerged from layering their narratives were complemented by semi-structured interviews with academics, civil society actors, microfinance institutions and the Reserve Bank of India (RBI). These interviews were pre-arranged, conducted in English, and recorded consensually.

The use of expert interviews formed a second major pillar of the research design. Semi-structured interviews are commonly used to explore complex dynamics through rather simple entry points that relate to the interviewees lived reality while prescribing a certain dramaturgy of events and allowing to compare the contents among different institutions (Flick 2022, 65). Importantly, the reasoning for interviewing such diverse actor groups was to get a more comprehensive account of the

4 On the general difficulties of doing research in the "shadows of the global political economy" see also Phillips (2017a).

political economy of subaltern working-class indebtedness by engaging with different perspectives. For example, interviewing top-management staff in MFIs could provide an in-depth account of changing business strategies, including customer targeting or diversification of loan products, or how repayment crises are dealt with from their end. I specifically focussed on Bengaluru-based organisations, and particularly on two institutions, Ujjivan and Janalakshmi, which both emerged in the mid-2000s as slum-based MFIs and had evolved into large corporations with millions of customers throughout India and strong ties to domestic and international capital within few years. By the time I conducted my field research in 2018 and 2019, both were underway to becoming Small Finance Banks (SFB), a category the Reserve Bank of India (RBI) had newly created to acknowledge the fact that India's largest MFIs had turned into quasi-banks. Since the rapid rise of microfinance had attracted much attention and research in the past two decades, many of which were critical of the former's operations, access to staff was difficult and required a detailed explanation of the purpose and context of the study.

In addition, interviews with various departments of the Reserve Bank of India (RBI), most importantly the Financial Inclusion and Development Department (FIDD) and the Department for Non-Banking Supervision (DNBS) in Bengaluru and Mumbai, were conducted. The RBI is arguably the most important public policy body when it comes to financial inclusion and access to credit and a crucial interface to global discourses and institutions promoting financial inclusion. Since it focuses on the entire country, their perspective helped to contextualise specific developments and contradictions in Bengaluru in a broader context and shed light on how access to credit is governed.

Finally, I interviewed various local civil society actors from trade unions and NGOs who work with construction, domestic and garment workers in Bengaluru, as well as academics who researched microfinance and migrant labourers, to learn more about specific patterns of exploitation and resistance in various sectors of the urban economy, the gendered and caste-based differentiation within the working-class, and the obstacles of migrant labourers to access public services. Importantly, all these general concerns were related to the problem of chronic indebtedness amongst migrant labourers in Bengaluru. Since most of the interviewed institutions have existed for decades, they could provide a historical account, highlighting significant changes over time. Particularly some of the senior interviewees had been working in this field since the 1980s and thus provided invaluable insights into some neglected aspects of microfinance research, namely the post-independence era.

Despite their inherently worthy perspectives, the expert interviews should not be understood as merely additive accounts of one and the same story. Rather, these groups relate to the investigated phenomena in vastly different ways, and they are invested in the object of research through unequal power relations (Flick 2022, 23).

All provide a different account of why and how microfinance works, but no perspective is innocent because each actor group is imbricated with the dynamic expansion of credit-debt relations in different ways. If one takes the epistemological and ontological positions outlined above seriously, it follows that despite the fact, that each of the diverse interview partners is an expert for a specific aspect of the complex whole, and as such has a certain privileged understanding, none of these can claim absolute or neutral knowledge of the object under investigation. Therefore, “active listening” both in the form of being attentive and reflexive of the social positioning of the interviewer and interviewees, was crucial for doing interview research (Fuji 2018). Hence, no coherent narrative appears automatically from such a diverse body of interviews. Constructing one, remains a task of (critical) analysis, which is why a robust theoretical substance is crucial for this research.

The interviews were transcribed and coded with MAXQDA. Initially, many thematic domains were identified through *in vivo* coding⁵, acknowledging interviewees’ diverse experiences, positioning, and interests. This first round already revealed some patterns across the answers. In the second step, using the creative coding tool, the initial codes were thematically clustered, merged, and hierarchically ordered to find superordinate categories (Flick 2022, 328). In this process, the number of codes was substantially reduced, and the *in vivo* codes were read through the theoretical concepts that underpinned this research. The analysis is now required to identify specific explanations and causal mechanisms of the identified patterns. Following a critical realist understanding, retroductive reasoning suggests moving back and forth between theory and evidence without superimposing one on the other (Belfrage and Hauf 2017). The overall research process aims at first identifying and describing regularities concerning the investigated phenomena (e.g. rural indebtedness due to adverse conditions in agriculture as a reason to migrate to the city), then constructing causal mechanisms which explain this pattern with the help of theoretical concepts (indebtedness through fictitious capital facilitates the making and subordination of India’s subaltern working class), and then qualify the existence of this causal mechanism by using primary and secondary data, as well as reflecting on the practical strengths, contributions, weaknesses and limitations of the study’s design and conduct (Blaikie and Priest 2017, 188f.).

In practice, this translates into a “reflexive iterative research strategy” (Montgomerie 2017, 102), emphasising the movement of research, including its non-linear, messy, and pragmatic nature as well as its constant wrestling with the underlying research ethics and objectives. In this sense, the critical aspect of this research refers to reflecting and challenging common-sense explanations and dominating arguments amongst scholars and policymakers in line with the overall paradigm and

5 *In vivo* coding derives codes directly from the data/transcripts, reflecting the language and terminology of interviewees.

theoretical framework. But it also refers to criticising the very existence of an unjust social reality, uncovering those relations of power and other real mechanisms that shape these inequalities to overcome them.