

The Role of Class in Economic Inequality

A Marxist Comparative Study Between China and India

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Abstract

As their economies boom, China and India have become one of the world's most unequal countries, surpassing the United States. From the perspective of political economy, this paper presents a Marxist comparative study between economic inequality in India and China. It argues that class has played a key role in the inequalities in these two countries.

To deeply explore and critically analyze inequality, after consulting Chinese and Indian economists and sociologists, this paper employs Marxian class schemas. The detailed Marxian urban class structure separates workers from non-workers, considers workers' heterogeneity: professional, skilled and unskilled, and distinguishes manufacturing from services. The Marxian rural class structure divides people into farmers, rural elite and rural workers.

Through data analysis, we observe that in terms of growth and inequality dynamics, both China and India have followed a U-shaped pattern of inequality and development. From the perspective of Marxian political economy, I argue that class has become a highly dividing factor and a major contributing factor to economic inequality in India and China.