

**The Extended Access Created by the Capitalist Economy**  
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*ABSTRACT*

Capitalism is an economic and political system where trade and industry are controlled by private owners for profit. Its core principles are: accumulation, ownership, and profiting from capital. In this research, data has been gathered specifically from Dhankuta District, focusing on Ward No. 2 of Mahalaxmi Municipality. The principle of the study is to explore the extended access of the capitalist economy in the settlement of local communities. This study is based on a period of 10 years from January 2013 to September 30, 2023. The primary data has been collected based on 42 households by census method. Interview schedule and observation method is used to carry out the process. The views of Chaitanya Mishra, Immanuel Wallstein, Ian Carlos Fitzpatrick and Jagannath Adhikari are included in the study. People have migrated to new places to Inearby local market, Terai's Dharan, Itahari, Damak, Belbari, Basbari Goldhap.

**1. INTRODUCTION**

Capitalism, as an economic and social system, has been a dominant force shaping societies around the globe for centuries. Rooted in principles of private ownership, free markets, and individual entrepreneurship, capitalism has driven unprecedented economic growth, technological advancements, and improvements in living standards. However, it is also a system that has faced criticism for fostering inequality, exploitation, and environmental degradation. This article aims to provide a balanced exploration of capitalism, examining its key features, historical evolution, and the ongoing debates surrounding its impact on individuals, societies, and the planet at large. The main characteristic of a capitalist

economy is the profit motive. A capitalist economy is also characterized by a free market and non-interference by the government in business regulation. The origins of capitalism can be traced back to 18th century England, where the Industrial Revolution was rising at the time. Since the government does not interfere in this type of economy, it is also known as a free market economy (Mishra, 2007: 130).

The modern world system is based on the foundations of capitalism. The modern world system is itself a complex system because it is based on the foundation of capitalism, which is full of unequal relations and different opportunities between the nations of the world. Countries in the world system are interdependent. On the other hand, central countries have always

managed to dominate peripheral countries by developing exploitative relations. On the other hand, the collapse of communism in Eastern Europe and communist countries like China have also joined the World Trade Organization and are developing a capitalist economy. Cuba and Vietnam are also gradually trying to liberalize their markets. In every corner of the world, political and military systems are being expanded to stand not as the economic empire (Mishra, 2070 B.S.).

In ethics fostered by the Reformation of the 16th century, the traditional disdain for aspiration was diminished, while hard work and frugality received a stronger religious sanction. Economic inequality was justified by the fact that the rich were more virtuous than the poor. Another factor was the increase in the supply of precious metals in Europe and the resulting price inflation. Wages during this period did not rise as fast as prices, and it was mostly capitalists who benefited from inflation. Early capitalists (1500–1750) also enjoyed the benefits of the rise of strong nation-states during the mercantilist era. The policies of national power followed by these countries were able to ensure the basic social conditions necessary for economic development, such as unified monetary systems and legal regulations, and later enabled the transition from public to private initiative (Wallerstein, 1974).

The modern world system is based on the foundations of capitalism. Capitalist economy has many problems such as inequality, exploitation and dependency. About 80 percent of the world's people are forced to live in poverty. During this time, there was a movement between communist and capitalist countries on the question of nationality. Due to the capitalist economy, the industries and factories of the poor countries were closed and they became dependent on the rich countries. Poor countries cannot decide for themselves. Rich and developed countries must accept economic and political decisions. Therefore, due to the arbitrary and domineering policies of capitalist countries, it is certain that one day a crisis

will occur in the capitalist economy. Economic and political causes create a crisis in the world system. This creates an imbalance in the world capitalist economy. Globally, unemployment, scarcity, inequality, political interference, militarism, bullying, etc. are causing the crisis of capitalism. Since there is a close connection between the world system and capitalism, a crisis of the world system means a crisis of capitalism (Wallerstein, 1974)

## 1.2 PURPOSE OF THE STUDY

For the successful completion of every research, the objective must be determined before the research. After determining the purpose of the study, it becomes easier to conduct research within the limits of the study. In this study, Dhankuta District Mahalaxmi Municipality Ward no. 2 has been selected. The principle is to explore the extended access of the capitalist economy in the settlement of local communities.

## 1.3 THEORETICAL REVIEW

American sociologist Immanuel Wallenstein developed his global order concept in the 1970s while researching the reasons behind the underdevelopment, poverty, and dependency brought about by the capitalist production system, which is predicated on monopolistic capitalist exchange relations. Specifically, global capitalism and the resulting economic stratification of states with low and high status, the transfer of savings from developing to developed regions, the exploitation of low-cost labor and raw materials from developing nations, reliance, global trade, exchange relations, monopolistic systems, etc. It discusses the international class structure, the inequality of development, and the global capitalism system and the economic inequality it produces. According to, one should view a social system as a whole (Wallerstein, 1974:32).

Neo-Marxist social analysts A.G. Frank as the dominant political economy news of the world, it was analyzed by A.G. Frank, I. Wallstein, Samir Amin, Paul Baran,

and in the context of Nepal by analyst Chaitanya Mishra, Pradip Giri and Ghanshyam Bhushal and others, the capitalist era. "The capitalist system is not a system given by nature, nor is it a divine or self-manifested system. It is a social structure, method and process that arose at a certain stage of social history and gradually changes. (Mishra, Capitalism and Nepal, 2007: 72). Mark Liechty's research in 2003 also provided a comprehensive picture of the evolving consumer culture in Nepalese society. Liechty said that the new thinking developing among young people is based on trendy cinemas, public parks, shopping malls, etc., and the belief that everything is done better abroad. Liechty also pointed to the growing influence and appeal of capitalist consumer culture to the middle class of Nepali society.

## 2. MATERIALS AND METHODS USED

The Dhankuta District Mahalaxmi Municipality Ward No. 2 was used in this study. The following framework has been utilized for data gathering and analysis in this study on the growth of the capitalist economy: There has been an explanation and analysis of descriptive structure. Type and origin of the data: Qualitative and numerical data are particularly incorporated in the data collection process because the research cannot be finished with only one form of data. This is required to ensure that the research is conducted logically. Both primary and secondary sources of data in have been applied. Ward number in the municipality. There are just 42 households in the toll as of right now. Since the study's households are tiny, primary data have been gathered using the census method from each of the 42 houses. This study is based on a period of 10 years from January 2013 to September 30, 2023.

## 3. DATA ANALYSIS

### 3.1 GEOGRAPHY AND CLIMATE

Dhankuta District is one of 14 districts of Koshi Province of eastern Nepal. Dhankuta is the district headquarters of Dhankuta District. Dhankuta district is a mid-hill district of eastern hill region of

Nepal. It is situated between 26°53' to 27°19' north latitude and 87°8' to 88°33' east longitude. The vegetation zones in the district range from sub-tropical Sal forest along the Tamor and Arun rivers, and cooler temperate forests on some of the high ridges that mark the watershed between the two catchments. The altitude ranges from around 300m to 2500m. The vegetation zones in the district range from sub-tropical Sal forest along the Tamor and Arun rivers, and cooler temperate forests on some of the high ridges that mark the watershed between the two catchments. The altitude ranges from around 300m to 2500m. The majority of the population are involved in agriculture & crops include maize, rice and millet. Important cash crops include citrus fruits, cauliflower, cabbage, ginger, and in recent years, tea. Mahalaxmi is a municipality in Dhankuta District of Koshi Province in Nepal. It is a municipality out of three urban municipalities in Dhankuta District. Total area of the municipality is 126.3 km (78.5 mi) and according to 2021 census of Nepal, the population of this municipality is 22,182. The municipality is divided into nine wards. The headquarter of the municipality is in Jitpur Bazar.

### 3.2 SOCIO-CULTURAL STATUS

This part examines the socio-economic characteristics of the respondents, such as age, ethnic composition, education; marital status, family structure and occupation are presented in the following paragraphs and tables. Caste/ethnicity, age, gender composition, household, literacy and economic status have been included in the analysis of the socio-economic characteristics of the respondents. People who live in a certain geographic area are called a population. Demography is thus the study of population size, spatial distribution and composition, change and the components of that change, such as age, mortality, regional mobility or migration, and change in social mobility or status. According to the social status survey of the population, there are very different

conditions such as caste, age, sex, education, language, marital status, etc., which are given in the table below with analysis.

**Table 1: Social conditions of respondents**

Social characters	Distribution	Frequency	Percentage
Caste/ethnicity	Chhetry	22	52
	Ethnic Group	08	19
	Dalits	12	25
Sex	Female	12	28
	Male	30	72
Age Group	30-40 Age Group	12	28
	41-50 Age Group	18	43
	51-60 Age Group	12	28
Marital Status	Married	37	88
	Unmarried	5	12
Religion	Hindu	42	100
Family Structure	Nuclear Family	38	90
	Joint Family	4	10
Education	Literate (Under S.L.C)	19	45
	S.L. C.	15	36
	University	8	19

Source: *Field Survey, 2023*

According to the analysis of the social situation of the respondents of the 42 households included in this study, the study area has a majority of regional communities, which are 52 percent of all 42 households. By gender, 72 percent are men and 28 percent are women. According to the age structure, it was found to be the highest in the 30-40 age group at 22 percent, in the 41-50 age group at 43 percent. In the age group 51-60, there are 28 percent of respondents. It turned out that 100 percent of the families participating in the survey were Hindus, 90 percent lived in single families and 10 percent lived in joint families. Examining the educational status of the respondents, the S.L.C. Below 45 percent, that is. Literacy only, S. L. C. It turned out to be 36 percent. It turned out that 19 percent studied at the university level.

### 3.3 INCOME SOURCES

Source of income means the entity for which service is performed or that is otherwise the origin of payment; if the person whose income is being reported is employed by another, the employer is the

source of income; but if the person is self-employed by means of a sole proprietorship, partnership, limited liability company, professional corporation, or a corporation in which the person, the person's spouse or domestic partner, or the person's dependent children, or a combination of them, hold a controlling interest, the "source" is the client or customer of the proprietorship, partnership, limited liability company, or corporation, but, if the entity that is the origin of payment is not the same as the client or customer for whom the service is performed, both are considered the source (Adhikari, 1990). Farmers have been continuously cultivating cardamom in this study area for the past 12 years. Cardamom farmers earn cash by selling all the cardamom they produce without using it. Young people from every family have gone to work abroad. Local communities have been able to earn money through government jobs, commercial animal husbandry, business, seasonal vegetable cultivation. In this study, the income resources of the respondents in the sample selection have been mentioned as follows.

Table 2: Sources of Income

Sources of Income	Frequency	Percentage
Cardamom & Agriculture	42	100
Foreign Employment	36	86
Seasonal Vegetable Cultivation	28	67
Government Job	5	12
Traders	3	7
Animal Husbandry	10	24

Source: Field Survey, 2023

The above table shows the distribution of respondents the sources of income of the local community of 42 households included in this study, 100 percent of them are income earners from cardamom and other agriculture, while 86 percent of them are foreign workers including cardamom and agriculture. 67 percent of the families who cultivate cardamom crops are seasonal vegetables. The family members who cultivate cardamom and seasonal vegetables are employed by the government, who are 12 percent, 7 percent who are traders, and 24 percent who produce milk, ghee and meat by rearing animals and selling them. Every family cultivates cardamom. The members of those families also go to work. In this way, he has succeeded in expanding his relations by acquiring a position in a family from many sectors.

### 3.4 EXTENDED SECTORS

It is traditions that people go from one geographical area to another to fulfill their needs or to seek more comfort. In this process, moving from the place of birth or the place of origin to the target place or the place of destination improves the standard of living, it becomes easier to meet the basic needs, contacts and relationships are established with new people, new knowledge is developed, and new opportunities are developed (Fitzpatrick, 2011). The people of 42 households in this study also earn or have earned a lot of money from cardamom farming, foreign employment, seasonal vegetable farming, commercial animal husbandry, business, government jobs, wood sales and traditional agricultural work. The extended area of local communities is shown in the table.

Table 3: Extended Sectors of respondents

Extended Areas	Frequency	Percentage
Buying real estate in the local market	7	17
Doing business with rent in local market	4	10
Buying real estate in Dharan, Sunsari	6	14
Buying real estate in Itahari, Sunsari	11	25
Buying real estate in Belbari, Morang	3	7
Buying real estate in Basbari of Morang.	4	10
Buying real estate in Damak, Jhapa.	2	5
Buying real estate in Goldhap, Jhapa.	2	5
Building a modern house in the original location	3	7
Total No.	42	100

Source: Field Survey, 2023

According to the table, among the 42 households, 17 percent of them are buying real estate in the local market, where Sarada Secondary School is located.

There are 17 percent of families who do business with house rent in the local market. In terms of expanding their access to the districts outside of the local area, there are 14 percent families who have

bought real estate in Dharan of Sunsari. There are 25 percent families who buy real estate in Itahari of Sunsari. In Belbari of Morang, there are 7 percent of the families who purchase real estate. There are 5 percent families who buy real estate in Damak of Jhapa. In Jhapa's Goldhap, there are 5 percent families who purchase real estate. There are 7 percent families who build a modern house in the local area without going outside. When studying in this way, it seems that every family has spread to some place.

#### 4. RESULT AND DISCUSSION

As long as they have the capacity, knowledge, and physical stamina to do so, people will continue to move in pursuit of new opportunities or better access to services. Speaking about Nepali society, before the eradication of malaria, mountain dwellers would go to hotter regions, areas with more productivity, and other locations in India; but, with the eradication of malaria, they began traveling to the Terai region in order to work either temporarily or permanently.

Sociologist Chaitanya Mishra, *Capitalism and Nepal*, (2070) refers to the world age based on the primacy of capital. Capitalism exists as a total production system and a total social structure. The main objective of capitalist economy is to earn profit and reinvest that profit to continuously expand capital. The capitalist production system brought about changes in the construction of members of society, relationships and the entire social structure. Under the capitalist production system, at the beginning of pre-adulthood, the members of the society are forced to migrate from the family, relatives, community and place where they were born and raised to work as laborers, especially in the city. Out of the 42 households in the study, only 7 percent of the people have built modern houses on the local ancestral land, while the remaining 93 percent of the families have gone outside their ancestral homes and added property.

Sociologist Ian Carlos Fitzpatrick has mentioned that after the increase in Cardamom production in Mamangkhe village of Taplejung district, the communities there have acquired wealth and expanded their rural settlement considering Mamangkhe as the center. According to him, the village can be assimilated in two ways. The first is the households there, who are scattered across the district and also in India. Which has no connection with Mamangkhe village. Second, such households are concentrated in specific locations. Second, such households are concentrated in specific locations. They are in constant contact with their Mamangkhe village. First among them was Mamangkhe. They have migrated permanently either towards Kaveli river or headquarter Phungling or other places or outside the country towards Sikkim region to new settlement areas. The second expanded village is about 20 km from Birtamod town in Jhapa district. They are clustered on the main road from Birtamod to Taplejung and its side. There are 18 houses in Sundays from Mamangkhe and 12 houses in Hapen Chowk. 42 households of this study consider Mulkharka of Mahalakshmi Municipality as the center. All of these 42 households produce more or less cardamom and the wealth obtained from it has spread to places like Dharan and Itahari Morang Belbari and Baswari in Sunsari of Terai, Damak Bazar in Jhapa and Goldhap around the local area Sharda Secondary School. In this study, there are not families who have migrated and are legally in the same family, but there are extended families who have acquired wealth. It does not appear that he went to India to work on this study. They have used the wealth they have earned by staying in the mountains and other ways to expand their real estate.

According to Jagannath Adhikari in 1989-90, 1994 and 1999 in Lahachowk of Kaski at different times field study and published in 2008, when he studied again in this study area in 1994, there was diversity in labor migration of people. Their new destinations include the Gulf countries,

South Korea, Taiwan, Malaysia, and Japan. Dalits, Chhetri and Bahuns seem to go to Gulf countries while Gurungs go to work in South Korea, Japan, Taiwan and Malaysia. In 1999, a study was conducted on the new dimensions of the migration pattern of Lahchok households. People here were less involved in military service from the past. Out of a total of 630 households here, 150 household members were working abroad. Some households sent 2-3 members of the same household abroad, but in most households only one member went abroad.

It seems that families involved in foreign employment also went to India. After India, the number of people going to countries like Saudi, Qatar, Hong Kong, Oman, UK is also significant. Remittances from foreign labor became a common feature in the hilly areas. It has helped to expand to other districts, villages, or areas within districts and villages. As if they have migrated not only to the traditional towns of Pokhara, Baglung, Myagdi but also to new cities that are about to emerge. According to this study, the situation of the families of Mahalakshmi ward no.2 seems to have been reconciled. Out of 42 households here, 86 percent of the people of 36 households have gone to work abroad and earned wealth and spread to the local market and different districts of Terai. Currently, non-agricultural employment and income have become normal for them. Foreign employment became common for the lower middle class. People who do not have foreign employment and do not have access to non-agricultural sector within the country benefited from the wage labor opportunities created in the villages.

According to Immanuel Wallstein (1974) - Change is eternal and nothing changes forever. Both these statements are true. Structures are such systems of human relations, which tend to have stable existence over relatively long periods of time. However, unless the study of social change is used as a concept synonymous with the entirety of social science, as the birth, development and even death of structures, its meaning is limited to the

study of changes in such events that are mostly durable. Certainly, the definition of sustainability itself becomes a subject of change with historical time and place. People are scattered all over the world in search of opportunities. People here have also reached different countries of the world in search of employment.

## 5. CONCLUSION

The process of people searching for opportunities is not only the same, but this process is even more. In the past, people of Mahalakshmi Municipality used to migrate due to basic needs, but nowadays, in search of education, health, communication, transportation facilities and opportunities, the people of Mahalakshmi Municipality have bought houses in other districts like Sunsari, Morang, Jhapa. Extended families have managed to earn a lot of wealth through cardamom cultivation, foreign employment, government jobs, business and traditional agriculture. Studying the condition of the people of this region for 10 years has only expanded. They have not left all their possessions and migrated. Sociologist Chaitanya Mishra said that according to the theory of capitalist economy, the cycle of investment, profit and reinvestment of profit continues in capitalism. According to time, they have succeeded in using capital properly.

In contemporary societal dynamics, the convergence of migration patterns and property ownership plays a significant role within the capitalist framework. Historically rooted in the pursuit of basic needs, the present narrative highlights a noticeable shift wherein property acquisition goes beyond residential necessities, becoming a tangible expression of economic agency. In this context, property functions as a capital asset representing the fundamental tenets of capitalism—specifically, the idea of private ownership, strategic investment, and the accumulation of wealth. The purposeful extension of property holdings into areas marked by elevated living standards indicates a calculated capitalist strategy, where individuals strategically

navigate economic environments to capitalize on opportunities for financial advancement and an improved quality of life. Thus, the contemporary interplay between migration, property ownership, and capitalism unfolds as a nuanced scenario, revealing the intricate relationship between individual aspirations and the broader economic system. Future research endeavors may delve into the impact of emerging technologies, global events, socio-cultural factors, and interdisciplinary methodologies on the dynamic interplay of migration, property ownership, and capitalism, offering a nuanced exploration of their evolving dynamics.

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