6 The social meaning of over-indebtedness and creditworthiness in the context of poor rural South Indian households (Tamil Nadu)[1]

Isabelle Guérin, Marc Roesch, G. Venkatasubramanian and K. S. Santosh Kumar

High levels of indebtedness amongst Indian rural households have long been a matter of concern. Official British field reports regularly express surprise and concern about high levels of debt in villages (Breman 2007; Cederlöf 1997; Hardiman 1996). Many Christian missions have also sought to encourage the poor to save and to get out of chronic debt (Cederlöf 1997). While "financial inclusion" policies (i.e. policies aiming at providing formal financial services to all) are at now central to the political agendas of Indian public policy makers (Garikipati 2008), private stakeholders such as NGOs and banks (Srinivasan 2009), and international organisations (World Bank 2007), this concern remains extremely pressing. Tragic cases of Indian cotton producers being condemned to despair, and sometimes suicide, over unmanageable debts are well known (Government of India 2007; Mohanty 2005). More recently, microfinance client over-indebtedness has also been highlighted. In various areas of Andhra Pradesh and Karnataka, it has been reported that thousands of clients have become trapped in vicious cycles of cross-debt from multiple microfinance institutions, which has led to worrying problems of extreme financial vulnerability and sometimes suicide (see Joseph in this volume).

This paper deals with other forms of over-indebtedness, examining the daily indebtedness of poor rural households in Tamil Nadu. In the villages examined, debt does not necessarily lead to the dramatic situations observed amongst cotton farmers or microfinance clients, but it can be nevertheless a source of impoverishment, pauperization and dependency. Census data indicates that Tamil Nadu is one of the states where household debt is the highest (NSSO 2003). Over the second half of the last century, debt sources have evolved and diversified. "Traditional" forms of rural debt based around extreme dependency between landlords and labour are fading away (Cederlöf 1997; Marius-Gnanou 1993), as also observed in other parts of India (Breman 1974; Breman *et al.* 2009). Labourers now have a wide range of borrowing options. Empirical studies in the early 1980s highlighted the dynamism and diversification of the rural financial landscape (Bouman 1989; Harriss 1981). In rural Tamil Nadu for instance, professional lending, which had historically been the preserve of specific castes, has opened up to other communities. Many local elites also used their cash surpluses to invest as loans (Harriss 1981). More recent studies underline that the ongoing diversification of Tamil Nadu's rural financial landscape is still going on (Ramachandran and Swaminathan 2005; Polzin 2009). Indian microfinance, having long been overshadowed by its Bangladeshi neighbour, has been growing exponentially since the 2000s. Tamil Nadu is, moreover, one of the states where microfinance has developed the most (Fouillet 2009). In March 2010, it was estimated that Tamil Nadu state had 12,641,706 clients (Sa-Dhan 2009), with a penetration rate ranging from 0 to 20 per cent (Fouillet 2009).

On the demand side, even if inequalities remain remarkably intractable (Harriss-White and Janakarajan 2004), the poorest and lowest castes are expressing a growing desire for social mobility. In Tamil Nadu, the increased importance of non-agricultural income and the implementation of wide set of social policy measures have clearly contributed to this (Harriss-White and Colatei 2004; Djurfeld *et al.* 2008; Vijayabaskar *et al.* 2004). Such desire for social mobility creates an increasing culture of consumerism, including in rural areas (Kapadia 2002). This is incited and perpetuated through massive advertising campaigns (largely through television), and facilitated by urban commuting and public welfare policies (such as bringing electricity to the countryside and the distribution of free televisions). Consumerism brings about genuine social competition between households and communities (Kapadia 2002). These social mobility aspirations serve to loosen and reconfigure ancient bonds of dependence, or at least alter expectations, bringing about the desire for a better position within existing local hierarchies (Djurfeldt *et al.* 2008; De Neve 2005; Heyer 2010; Gorringe 2010).[2]

It is in such a context of socioeconomic and political change that debt relationships should be analysed. Our hypothesis is that debt and over-indebtedness are both shaped by and constitutive of these changes. Consumerism creates norms, which many households are willing to follow without having the financial means to do so (the "paradox of aspiration" raised by Thorstein Veblen and also observed by Olsen and Morgan (2010) in Andhra Pradesh). Households are borrowing on a daily basis at slack financial times to make ends meet. They also borrow considerable amounts to marry their children, renovate their houses or invest in private education. Our data shows that debt servicing takes up around half of their monthly income on average. These figures are all the more worrying given the irregularity and uncertainty of incomes. Our observations have led us to investigate over-indebtedness as an issue in terms of the following questions: How should we analyse such trends? What is debt and what is over-indebtedness? Where is the line between the two, and who defines them? History and economic anthropology tell us that debt encompasses multiple meanings and a diversity of relationships. It is therefore likely that the term "over-indebtedness" will have multiple and possibly contested meanings.

This chapter applies a case study of four villages in the southern Arcot region of Tamil Nadu, combining descriptive statistics and qualitative analysis to present three main arguments.

First, if as in this chapter over-indebtedness is defined as a process of impoverishment through debt, then a large part of the rural poor can certainly be considered as over-indebted. Over-indebtedness is only transitory for some households, while for others it is chronic. What is clear, however, is that over-indebtedness as a concept has little meaning to the poor. Financial indicators are certainly useful (and will be used here) to quantify the cost of debt. To understand debt practices, motivations and rationales, however, it is necessary to examine how the poor perceive and experience debt. It also requires taking into account the diversity of debt meanings and debt relationships. Of those in extremely vulnerable financial situations, very few consider themselves as over-indebted. The contrast between exogenous categorisations and local subjectivities is striking. One could of course argue that the poor suffer from "false consciousness", in the sense that they are not even able to assess their own exploitation. Our explanation is different: we argue that the poor have their own "frameworks of calculations" (Villarreal 2009; this volume) and debt hierarchies (Shipton 2007). Such phenomena transcend questions of material or self-centred motivations and reflect issues of status, honour, power and individual and group identity. This is our second argument: individuals engage multiple criteria to establish debt hierarchies and to evaluate debt burdens. Though financial criteria certainly matter, the social meaning of debt is equally, or more valued. While some debts are dishonouring, others are not. This depends upon the social relation between the debtor and the creditor and their respective status. Caste, class, kin and gender relationships are instrumental here.

Our final argument is that households' strategies and practices towards debts are more motivated by maintaining creditworthiness than by paying off debts. Maintaining creditworthiness is both a matter of eligibility for loans in the future[3] and of self-dignity.

Data and context

This paper draws on data collected between 2005 and 2009 in four villages of the southern Arcot region of Tamil Nadu, located at the border of two districts (Cuddalore and Villipuram). They cover a continuous and relatively small area, varying between dry, rainfed tracts and the wet, irrigated areas, which are typical not only of Tamil Nadu, but also of much of southern and central India. In dry villages, agricultural opportunities are limited to one or possibly two types of crops, mostly paddy and ground nut. For about the past two decades, mainly male marginal farmers and landless labourers have been migrating to supplement their farm incomes. Some commute to nearby small towns, mainly working as manual or semi-skilled labourers in the construction or transport sectors. Others depart for a couple of months to Kerala to work in coconut plantations or local industries. A few households have opted for international migration. In irrigated villages, agriculture still remains a central occupation, both for landowners and landless labourers. Irrigated villages grow two or three crops and many producers are specialized in cash crops (sugarcane, paddy, cotton, ragi, flowers, mango trees, banana trees) and their cultivable lands are larger. Migration, mostly in the form of commuting to Chennai and Pondicherry, does exist, but it is much less widespread than in dry villages.

As elsewhere in Tamil Nadu and India, caste remains a fundamental feature of social, economic, ritualistic and political life. Local classifications of social hierarchy correspond roughly to administrative categories: at the bottom of the hierarchy one finds "ex-intouchables" (here mainly Paraiyars and a few Kattu-nayakkans), classified as Scheduled Castes; next come the "lowest-middle" castes (here mainly Vanniars and few Barbers), classified as Most Backward Castes, followed by "middle castes" (here mainly Mudaliars, Chettiars, Yadhavars, Agamudayars, Asaris and Padithars), classified as Backward Castes. Of "upper castes", those at the top of the hierarchy (here Reddiars, Naidus and few Jains classified as Forward Castes), many have left the village. They still own houses and part of their land (these usually on lease to lower castes), but have settled in towns and now invest in urban-based activities.

Our data combines descriptive statistics with qualitative analysis. As a first stage, qualitative tools (semi-structured interviews with men and women and key informants, group discussions and observation) were used to capture the diversity of borrowing practices and the way people talk about debt. As a second stage, mid 2006, a quantitative questionnaire was implemented on 344 households, with a stratified sample based on caste and level of irrigation (dry/irrigated). The survey focused on household socioeconomic characteristics and borrowing practices. This quantitative questionnaire aimed at providing a representative picture of household debt in the villages studied. As a third stage (2008–2009), we conducted a qualitative survey, which aimed at exploring in more detail the concept of over-indebtedness. The 20 per cent most indebted households were selected (totalling 68 households). This qualitative survey was based on semi-structured interviews and case studies, and served various purposes. One was to situate debt into a dynamic framework and to reconstruct households' experiences over time. Our aim was to examine the evolution of financial vulnerability over time and to assess its prospects of evolution, asking whether the households were trapped in a vicious cycle of rising debt, or if they were coming out of debt. People were asked to list the major events of their life (life cycle events, any livelihood changes, any migrations, etc.). For each event or noticeable change, they were asked to explain its mode of finance. Another purpose for the survey was to analyse attitudes and strategies toward debts, taking into account the diversity of debt relationships, both from a financial perspective (cost, repayment modalities, duration, etc.) and from a subjective perspective. This last step also involved interviews with lenders, who were asked about the loan terms, cost, duration, collateral requirements and sanctions for non-repayment, as well as how they evaluate the creditworthiness of customers and manage risks. Around 15 lenders with different profiles were interviewed.

Tables 6.1 and 6.2 list households' socioeconomic characteristics according to caste. We see that agriculture still follows caste hierarchy. Dalits are far less likely to own land (33.5 per cent against 69 and 71.5 per cent for lowest-middle

Table 6.1 Household characteristics (HH=344)

	All	*Dalits*	*Lowest-middle castes*	*Middle-upper castes*
	n=344	*n=212*	*n=104*	*n=28*
Household size (no. of members)	4.71	4.66	4.66	5.17
Level of literacy (husband) (%)	55	59	43	68
% landowners	47	33.5	69	71.5
% concrete housing	29	26	27	61

Source: authors' survey.

castes and middle-upper castes respectively). Some Dalits are both farmers and agricultural workers, but very few can afford to be farmers only (3.3 per cent against 24 per cent for lowest-middle and 46.4 per cent for middle-upper castes respectively). However the level of Dalits' education is above average and though casual agricultural labour remains their primary occupation, they are over-represented in the category "employees, self-employed and pensions". Most often these are governmental jobs, most of which have been obtained through positive discrimination policies.

Over-indebtedness: what do the figures tell us?

In common with various monographs on different parts of India,[4] our survey highlights both the scale and frequency of debt. At the time of the survey, 91.3 per cent of the households were indebted. For those who were indebted, the average outstanding debt per household was INR30,500 (median 20,000), approximately one year's average household income. The amount of outstanding debt ranged from INR0 to 250,000. On average, monthly repayments were

Table 6.2 Livelihood profiles (HH=344)

	All (%)	*Dalits (%)*	*Lowest-middle castes (%)*	*Middle-upper castes (%)*
	n=344	*n=212*	*n=104*	*n=28*
% casual worker agriculture only	38.7	45.3	31.7	14.3
% casual worker	7.9	8.0	7.7	7.1
% employee, self-employed, pension	14.8	18.9	7.7	10.7
% farmer-worker	23.3	21.2	27.9	21.4
% farmer	13.1	3.3	24.0	46.4
unknown	2.3	3.3	1.0	0.0
total	100.0	100.0	100.0	100.0

Source: authors' survey.

INR750 (median 390), amounting to around half of monthly incomes. Significant disparities in levels of indebtedness were also observed, which can be briefly summarized as follows.[5] Debt levels are higher amongst the middle-upper castes, landowners and those with a strong source of livelihood (for instance, producers are more indebted than labourers). As for the purposes for taking on debt, Table 6.3 shows how, in terms of debt size, the most significant reasons include economic investment (mainly in agriculture) and ceremonies. In terms of the number of loans, household expenses, economic investment and ceremonies are the most common purposes. Here too significant disparities emerge as regards debt purpose: low castes, landless households and labourers more often borrow to cover daily survival costs and ceremonies, while middle-upper castes, landowners and producers more often borrow for economic investment.

We will focus here on the results of second survey, which was conducted among the 20 per cent most indebted households.[6] The first notable result was that the same households' stated debt figures were substantially higher than with the first survey. A second interview made it possible to build trust and confidence, and to get more reliable estimates.[7] The average outstanding debt was INR96 791 (median 79,500), while average household income was INR21,600 (median 15,870), and the average monetary value of assets was INR69,885 (median 51,425). On average, household debt was 4.5 times higher than household income, and 1.4 times the monetary value of assets.

Three indebtedness scenarios were discerned using qualitative analysis and then confirmed by quantitative data:

- "Transitional over-indebtedness" (13 households, 19 per cent of sample): this category of household is highly indebted (INR36,868) in comparison to their annual income (INR25,945 on average), and spends significant levels of that income on debt repayment, without however becoming

Table 6.3 Debt purposes (HH = 344)

	N	*% loans*	*Average amount (INR)*	*% volume*
Economic Investment	142	21.3	12,797	25.9
Ceremonies	150	16.5	13,366	20.9
Housing	65	7.1	16,416	11.1
Child education	91	10.0	11,157	10.6
Health expenses	113	12.4	8,079	9.5
Loan repayment	54	5.9	12,506	7.1
Household expenses	184	20.2	3,485	6.7
Cattle purchase	32	3.5	13,781	4.6
Land purchase	20	2.2	15,525	3.2
Durable consumer goods	26	2.9	7,165	1.9
Other	35	3.8	17,459	6.2
	912	100.0	10,515	100.0

Source: authors' survey.

overwhelmed by debt. Their debt repayment amounts on average to one-third of household income (INR485 per month). Debt servicing traps them at the level of poverty and prevents any form of wealth accrual. However these households use various strategies not only to stabilize their debt levels, but also to enable a significant reduction in the near future. These include expense reduction (withdrawing children from expensive private schools, postponing marriages or cutting general expenditure), migration and kin support (for instance, children being expected to repay debts contracted for their own marriages or education). A further strategy is maintaining good relationships with lenders, facilitating debt rescheduling without additional cost.

- "Pauperization" (26 households, 38 per cent of the sample): this category of household becomes pauperized by debt. In comparison to the previous category, outstanding debt is higher (INR73,027 on average) and yearly incomes lower (INR22,936 on average). Monthly debt repayment levels equal household income (INR1,872 on average per month). These households have already partly sold their assets, and have no prospect of improving their income. As a consequence their debt levels are gradually increasing, both for securing debt repayment and daily survival. The amount due is only theoretical, because in practice households are totally unable to meet payments. The debt is experienced mostly in terms of constant pressure and dependence on creditors. Escaping debt would be impossible in the near future: the households' main objectives are to maintain creditworthiness for as long as possible, which implies rotating debt and juggling between various lenders.
- The final stage is "extreme dependence" (29 households, 43 per cent of the sample). Not only is this household category's outstanding debt extremely high (INR144,959 on average), but its income very low (INR11,117 on average). The debt burden is such that it is impossible to repay. Most of these households depend on their close circle for daily survival. The cases we met received support from diverse sources, including close kin, a landowner, a priest and an NGO social worker. In some cases children are left in kin's care. There are also rather frequent conflicts with kin, which have probably contributed to their financial situation. They often become socially isolated, especially as regards ceremonies, being unable to make gifts or counter-gifts. Their dependence has considerable social and moral costs, especially in terms of self-dignity.

In terms of assets, we found no significant disparity of land ownership between the three categories. This was however the case for gold, which is very frequently pledged, lost and repurchased depending on cash flow. A total of 60 per cent of the households in the first category own gold (36 grams on average), as opposed to 50 and 34 per cent of the second and third categories (21 grams on average). Most of the third category's gold had been pledged at the time of survey.

Table 6.4 Over-indebtedness typology (HH = 68)

	"Transitional over-indebtedness"			*"Pauperization"*			*"Dependence"*		
	Mean	*Median*	*Disp.*	*Mean*	*Median*	*Disp.*	*Mean*	*Median*	*Disp.*
Outstanding debt (INR)	36,868	15,000	50,414	73,027	57,050	54,690	144,959	125,000	88,524
Monthly income (INR)	2,162	1,225	1,904	1,911	1,590	914	926	692	734
Monthly repayments (INR)	485	359	442	1,872	1,591	1,459	4,391	3,155	3,392
Ratio debt/income	0.8	1.0	0.4	3.0	2.6	1.3	18.0	13.0	20.3
Interest rate	2.4	2.9	1.4	2.7	2.6	1.0	3.0	3.0	1.5

Source: authors' survey.

If we examine the main causes of over-indebtedness (see Table 6.5), the most frequent are ceremonies (42.7 per cent of households), housing and health (25 per cent and 23.5 per cent). These are followed by failed economic investments (17.7 per cent), most frequently obtained for agricultural purposes such as well digging or tractor purchase. Next come private education expenses (16.2 per cent), the most common of which are for private engineering schools, and teacher or hospital staff training. In a few cases chronic food insecurity, high interest rates, death, and legal problems come into play. Half of the households' over-indebtedness results from two or more factors. In half of cases, over-indebtedness also stems from income loss due to death, poor harvests, or health or alcohol problems that prevent a family member from working. Our data indicate that debt purposes are more frequently ceremony expenditure (especially marriages) among the "pauperization" and "dependency" household categories, while failed economic investment is more frequently a cause for the "transitional" category. Although all castes are present in each category, we observed that lowest-middle castes are over-represented, both in the second survey (focusing on the 20 per cent most indebted) and in the "dependency" category. They represented 30 per cent of the first sample, 47 per cent of the second sample, and 60 per cent of the "dependency" category. The small sample size does not allow for conclusions, however.

Of course, statistical data should be considered cautiously. Sources of income are diverse and irregular, and annual incomes are therefore rough estimates. One should also approach the monetary value of assets with caution, especially among the lowest castes, and for housing and land. Houses located in the *ceri* (part of the village reserved for the lowest castes) have a very poor market value. As far as land is concerned, many poor do not have the property titles and are therefore unable to sell or mortgage their land. Nonetheless, asset ownership strengthens borrowers' creditworthiness and his/her eligibility for loans. Debt figures are more reliable, as lenders and borrowers often enter lengthy negotiations, which they are easily able to recall. Borrowers have more trouble quantifying the amount of interest actually paid and the amount of capital outstanding.[8] In terms of timing and amounts, repayments are made on a highly erratic basis, and loans and interest durations are often renegotiated. Lenders regularly make concessions such that borrowers do not pay the full interest due. But such flexibility is repaid through other means, as we shall see in the next section. Keeping all the above limitations to the data in mind, we can still consider these as rough estimates of broad trends, especially as regards disparity between categories. Rather than the amounts as such, it is the differences between the categories that are meaningful, highlighting diversity of outcome.

The social meaning of debt

Not only should financial indicators be applied with caution, but individuals themselves have their own perceptions that differ radically from a pure financial analysis of debt. All the figures above are researchers' subjective constructions,

Table 6.5 Debt purposes (HH = 68)

	% households (All)	*% households "Transitional"*	*% households "Pauperization"*	*% households "Dependency"*
Ceremonies	42.7	21.4	44.0	51.7
Housing	25.0	21.4	28.0	24.1
Health	23.5	7.1	36.0	20.7
Economic Investment	17.7	28.6	20.0	10.3
Education	16.2	21.4	16.0	13.8
Food security	5.9	14.3	8.0	
Gifts	4.4	10.5	4.0	
Interest	8.8		8.0	13.8
Death	2.9			
Legal problems	2.9			6.9
Land	2.9	5.3	4.0	

Source: authors' survey.

Note
Total exceeds 100% because of multiple responses.

used to summarise the outstanding figures of each debt source. Most households are unable to spontaneously recall their total amount of outstanding debt. The fact they can barely remember their total debt is not necessarily because they are illiterate or ashamed to reveal the extent of their debt (which certainly takes place, but does not explain their difficulty summing up their debts). It is rather because they find little meaning in the concept of an amount of outstanding debt.

Anyone familiar with economic theory might find such observations rather surprising. Most economics textbooks state that money is a unit of calculation and a standardized means of payment. Thanks to this standardization, economic theory (and much of sociological theory) assumes that money is a means of individualization and an obliterator of hierarchies and statutory privileges. Monetary transactions, including debt, are expected to forge contractual relationships between individuals as equals. But ethnological and historical analysis of monetary and debt practices reveals that the impersonality and anonymity accorded to money is illusory (Bloch and Parry 1989; Bouman and Hospes 1994; Guérin *et al.* 2011; Guyer 1995; Lont and Hospes 2004; Morvant-Roux 2009; Servet 1984, 1996, 2006; Villarreal 2004, 2009; Zelizer 1994, 2005). Money and the practices stemming from it are above all a social construct. Money is embedded in pre-existing relations of rights and obligations, which it can influence but never destroy. As argued by Magdalena Villarreal (2004) in the case of rural Mexico, the calculation of value implicates complex webs of meanings and actions. She states that local processes of valuation often have more to do with identities and social relations such as gender, ethnicity and class than with monetary amounts. In the same vein, in a Kenyan context, Parker Shipton (2007) suggests that debt perceptions are shaped by and constitutive of social belonging. Far from being only economic transfers, monetary debts also entail obligations and entrustments: "what one borrows or lends helps define who one is" (Shipton 2007: 14). In other words, if we want to understand why the poor go into debt, to whom and how they experience each debt, the social meaning of debt is just as important as its monetary dimension. The social meaning of debt refers to the set of rights and obligations that link debtors and creditors, and their consequences in terms of social belonging, status and dignity.

In the Tamil language, the term "over-indebtedness" has no literal translation. Individuals use the term "drowned in debt", but very few consider themselves to be in this situation. It is instead the impossibility of taking on further debt that is considered a problem. Interviewees state that the worst situation is for those who no longer inspire trust and who have not kept their promises. When they are asked to talk about over-indebtedness, the borrowers rarely use the amount of debt as an indicator. It is more the *nature* of the debt and the nature of the *debt relationship* that determines whether debt is considered a burden or not.

We shall now look to classify the diversity of debt relationships. In the first instance, debts can be classified according to the profile of the lender. In the villages studied here, seven main categories of lenders can be distinguished. The most common forms are pawnbroking and "well-known people" (*terinjavanga*). At the time of the survey (see Table 6.6), 54.9 and 45.9 per cent of the

Table 6.6 Borrowing sources ($N = 344$)

	Amount (INR)			*% HH using*	*% volume*	*Duration (nb days)*			*Price (monthly interest)*[a]
	Avg.	*med.*	*max.*			*mean*	*median*	*mean*	*disp*
Well-known people	17,013	10,000	200,000	45.9	41.2	690	601	3.73	1.23
Pawnbrokers	8,323	5,000	70,000	54.9	17.9	613	324	2.83	0.48
Shg	8,284	5,000	100,000	41.3	13.5	291	237	1.73	0.55
Ambulant lenders	1,548	1,000	12,000	30.8	2.0	246	235		
Family & friends	10,228	5,000	60,000	17.4	9.5	424	239	3.11	1.38
Banks	17,121	12,000	110,000	21.2	13.9	752	419	1.01	1.38
Shop credit	7,165	5,750	25,000	6.7	1.9				0.48
Total	10,515	9,000	200,000		99.98	520	241	2.7	1.28

Source: authors' survey.

Note

a Data for prices is missing for ambulant lenders and shops, as in many cases borrowers don't know the exact price.

households were using them, representing respectively 17.9 per cent and 41.20 per cent of the total debt volume. Moreover, 41.3 per cent of the households also held SHG loans (13.8 per cent of the total volume). Some 30.8 per cent of the households dealt with ambulant moneylenders (*Tandal* – which means "immediate"), but for very small amounts (1,557 INR on average, with these Tandal loans amounting to 2 per cent of the total volume of debt). Banks, relatives and friends are sources of loans for 21.2 and 17.4 per cent of the households respectively and amount to 13.9 and 9.5 per cent of the total volume. Few households (6.7 per cent) buy items on credit from shops.[9]

We shall now turn to the way the poor perceive debts and what their criteria are to assess the burden of debt.

First, the social meaning of debt clearly matters. Debt is a marker of social hierarchy in kinship groups, the neighborhood and community alike. People try to avoid debts degrading to their status, or at least try to pay back these debts first.

Second, the importance given to the social meaning of debt does not preclude financial reasoning, in the economic sense of the term. People look for low interest rates. They also search for flexible services, where repayment modalities and duration can be negotiated and adapted to their cash flow constraints. Moreover, they value other services that the lender is likely to provide (the "interlinked" transactions often described by economists).

Debt practices (going into debt and paying off debt) are the result of subtle calculations and trade-offs between financial and social criteria: in many cases, people deliberately prefer to pay high financial costs in order to maintain status. Unless high debt engenders certain forms of extreme dependence, it is not taken as a problem; but shameful debt is, as we shall see below. As we were often told, the problem is not debt, but to whom one becomes indebted. The social meaning of debt varies according to caste and class, kin and gender relationships.

Caste and class relationships

As observed in other villages in Tamil Nadu (Harriss-White and Colatei 2004; Ramachandran and Swaminathan 2005), debt is clearly a marker of social hierarchy between castes. This is acknowledged both by lenders and borrowers. Households' creditworthiness depends on their caste and conversely, debt practices shape social status. As stated above, the term "to be involved in debt" has pejorative moral connotations, implying surrender, dependence and even servility, which are low-caste attributes. Middle- and upper-caste members frame high debt among the lower castes as part of their "bad habits", stating that the group drinks alcohol, eats meat, does not monitor its wives and goes into debt.... This is not true, according to our figures: average outstanding debts rise along with caste hierarchy (Guérin *et al.* 2012b). It is, however, the case that financial markets are segmented along caste lines.

Borrowing from ambulant lenders is seen as the most degrading practice, reserved for low castes (and women). Ambulant lenders come to households' doorsteps, precluding any form of discretion. They do not request any collateral but use coercive enforcement methods. The lenders themselves state that low-caste individuals and women are more prepared to tolerate abusive language from them.

The sense of debt as something immoral also depends upon the hierarchical positions of the lender and the borrower. On the borrower's side, the norm is to contract loans from someone from an equal or higher caste. "They do not take water from us, do you think they would take money?" is something the low castes often said to us. On the creditor side, some upper castes refuse to lend to castes that are too low in the hierarchy in comparison to them, stating that it would be degrading for them to go and claim their due. To ask an upper caste whether he is indebted to a lower caste can be considered as an insult. As we were once told by a moneylender from the Jain caste (upper caste): "I cannot give money to them [low castes]. You see, I have my status, I cannot. How could I get my money back? I cannot go there, it is not compatible with my status." The testimony of Anja Pulli, who is a daily agricultural labourer and belongs to the Vanniar caste (lowest-middle caste) is also instructive:

> The value of debt is not a matter of amount; all depends upon from whom you borrow. Borrowing from them [lowest castes] is unthinkable. I would prefer not to organize my daughter's marriage than to borrow from them. Getting money from outside your caste degrades yourself, your own family but also your own caste.

As was discussed in the introduction, in Tamil Nadu traditional forms of patronage based on debt and extreme dependency are now fading away. On the one hand, the need for manual and permanent labour has considerably reduced with the development of capitalist forms of agriculture (Harriss-White 1996). Landowners are also increasingly likely to abandon agriculture to turn to urban activities. Moreover, landless labourers and marginal farmers have now increased access to non-agricultural labour (Djurfeldt *et al.* 2008; Harriss-White and Janakarajan 2004). A loosening of bonds of dependence has also been favoured by policy interventions based on affirmative action (Harriss-White and Janakarajan 2004; Heyer 2010) and in some areas by the growing political power of the low and middle castes (De Neve 2005; Harriss, J. 1999; Heyer 2010). Although it is likely that dependence bonds and hierarchy have always been contested, the poor now have a broader range of choices and opportunities to do so. Dependence as an issue weighs heavily on debt arbitrations and calculations. Individuals go far beyond the question of financial cost, measuring implications in terms of dependence and status.

As indicated above, debt to "well-known people" represents a large portion of total debt, both in terms of the number of loans and of volume. The relationships between borrowers and their lenders are meanwhile highly diverse.

Cost is a first way to compare different options: most "well-known people" charge from 3 to 4 per cent in interest monthly, which is considered a reasonable price, and around one-third charges 5 per cent or above.

Table 6.7 The cost of "well-known people" loans

Monthly interest rate	*(%)*
Below 3%	3.88
3 to 4%	65.95
5% and more	28.02
Unknown	2.16
Total	100.00

Source: authors' survey.

It would be misleading to compare the various options only on the basis of price, however. The use of the term "well-known people" presupposes the idea of mutual acquaintanceship ("I know him/her, he/she knows me"). There is then a broad spectrum of more or less contractual relations, embedded to various degrees in social and political relationships going far beyond a debt relationship.

First, there are professional lenders belonging to merchant castes specialized in moneylending (here, these are Mudaliar, Chettiar and Marwari). Their motives are purely commercial and they make no secret that theirs is a business. The terms of the transaction depend on the type of collateral: in the cases we saw, the cost is 4 to 5 per cent monthly in the absence of collateral; from 2 to 3 per cent with collateral (jewels, cultivatable land, tractors, bullock carts, etc.). A guarantor is needed at the beginning, after which repayment quality ensures the continuity of the relationship. Some such lenders specialize in pawnbroking (Chettiars and Marwaris). Over the last few decades in the area under study, some Vanniars have also come to specialize in pawnbroking (in the region Vanniars traditionally specialize in agriculture). They usually focus on smaller transactions and poorer (and low-caste) clients. Many of these lenders have sold land (particularly during the land reform period from 1969) and have used this capital for money lending. The amounts lent also vary according to the collateral, without which it is difficult to obtain more than INR30,000. With collateral, amounts of up to several hundred thousand rupees may be lent. Transactions are often undertaken differently depending on the borrower's caste. For those willing to lend to low castes, transactions can take place in the borrowers' village (by hiring a low-caste person as an intermediary and to collect repayments). "Low castes are untrustworthy and irresponsible", is a common view of lenders, "money burns their fingers". For this reason it is deemed safer to visit them on their doorsteps. In contrast, transactions with other castes usually take place in town, mainly as a matter of discretion. Strong networks within the village enable them to obtain information about potential borrowers (reputation, income flows, etc.) and to select accordingly. Though the relationship is contractual, borrowers refer to it as "well-known people" because a minimum of mutual acquaintanceship is required.

There are then diverse forms of debt that are embedded into wider relationships. In such cases, debt is used either as labour bondage (amongst big landowners and mainly in irrigated areas) and/or for social and political purposes. While traditional bonded labour has almost disappeared, certain forms of patronage still exist and the long-term relationship between landowners and their labour or tenants is frequently linked to debt. The loan is a "privilege" granted to faithful workers. Its financial conditions are quite favourable, with low costs (0–3 per cent), flexible repayments and only rare full repayment of the principal. Borrowers regularly pay back interest and from time to time part of the capital, which allows them to reborrow. But money is just one aspect of the cost, with the debt inscribed into a series of rights and obligations requiring multiple forms of compensation. In contrast to the past, workers are not obligated to work exclusively for one owner and have freedom of movement. However, they are still obliged to work first and foremost for the lender and to offer multiple services. For men, these sometimes include irrigation, or numerous everyday services such as running errands to the shops, and caring for children or elders. Women have to make themselves available for domestic work when there are ceremonies, visitors, or when the master's wife is ill. Time costs can be considerable. For landowners who still cultivate the land, lending money or leasing out land serves the same purpose of bonding labour. Landowners clearly state that because of the scarcity of labour in agriculture nowadays, the only way to ensure the availability of labourers is to tie them with debt.

Lending money also serves social and political purposes. Many landowners have shifted from agriculture to specialize in money lending (and possibly other activities). They lend to their former circle of workers (who can also act as guarantors for other borrowers from their own castes, as above). They can also lend to the workers, or former workers, of landowners of their caste. Interest rates usually vary between 1 to 3 per cent and are negotiable. Some of these lenders clearly state that they don't have workers any more but they still "give" money to them and "help" them to maintain "self-respect". Some are highly involved in politics and this is also a way for them to ensure a certain allegiance.

Lending money is not restricted to dominant castes and landowners. In the four villages studied here, lenders were situated across all castes and classes (defined here through the ownership of land and assets). Lending money is obviously used as tool for differentiation within social groups, between those with a cash surplus to invest and those without. Differentiations arise on financial and social grounds. Here too, money is frequently only one component of the price.

Such relationships have multiple costs, however, which include providing a large range of free services, but also respect and deference. These social bonds of dependence are publicly recognized at the time of public events such as ceremonies. Lenders are the first to be invited and are treated as guests of honour. Debtors are meanwhile often expected to provide assistance with domestic tasks. Others deliberately try to get rid of such bonds of dependence, even if it means taking on very costly debts, financially speaking.

In other words, low castes and low classes (here, mainly casual labourers) face a tricky choice between a certain relative form of protection that entails moral and social dependency on the one hand, and a relative sense of freedom at a high financial cost on the other. They struggle to make ends meet and have to meet survival expenses (health, food, etc.). They spend increasing amounts on social and symbolic investments such as marriage, education and housing. They also make choices that tend to entail high financial costs.

Kin relationships

Some of the most sensitive debts are kin debt. While family support is crucial for ceremonies and rituals, the role of kinship in everyday protection is, in fact, limited. Loans from neighbours and relatives represent about 17.4 per cent of the number of loans and 9.5 per cent of loan volume. To the question "Do you have relatives who can help you in case of a problem?", 54 per cent of the households in our first survey sample replied negatively. To the question "when you need money, whom do approach you first?", less than one-third (28 per cent) mentioned kin. Almost half (48 per cent) mention "well-known people".

Qualitative analysis clearly highlights that there are reservations and suspicions towards family support. Avoiding all requests is almost unthinkable. Indeed, permanent tensions play out based on kinship. Its role switches continuously between being a support and a burden, between solidarity and conflict. Conflicts are underpinned by secrecy of financial arrangements and misunderstandings about such opacity. These can concern whether loans have been left unpaid or badly repaid, misunderstandings about cash transfers (was it a gift or a loan? Is there an interest rate or not?), and loans used for "immoral" purposes, or diverted from the initial purpose, etc.

Honouring reciprocity in ceremonies has always been a source of permanent pressure. Many interviewees make clear that they prefer going into debt outside the family circle to meet their own needs. This is a matter of freedom, as kin support calls for constant justification. Some say they borrow from their kin only for "justified" reasons, which are mainly ceremony, housing and health costs. The obligation of reciprocity is also a burden. Not only should the debt be repaid, but the debtor should be able to lend in return when the creditor is in need. Borrowing is a potential source of conflict, shame and dependency upon kin (in the case of unbalanced exchanges), and sometimes exclusion. Borrowers are constantly seeking to limit these risks. The fear of dependency and shame because of debt relationships was constantly raised in discussions. Some chose handcuffs as an expression to highlight their fear of dependency.

Financial conflicts amongst kin perpetuate pre-existing competition amongst family members and lineages. In particular, tensions are often high between agnatic and uterine lineages. The maternal uncle's responsibility for his sisters (existing among most, if not all castes in the villages studied here) is often at odds with the needs and demands of his wife and children. The nature of financial arrangements and the conflicts they generate are also shaped by the status and rank of each party within the kin circle. The most sensitive debts are those that do not respect the rules of rights and obligations dictated by blood and alliances/bonds. For instance, borrowing money from the bride's kin is often a last resort, because it admits that the groom's family is unable to meet its responsibilities. Sometimes individuals may have no choice, but they will be prompt in repayments.

Gender relationships

Calculations and arbitrations between the financial and social costs of debt are also gendered. Data were collected at the household level and do not allow us to measure gender differences. From qualitative observation however, gender specificities are very clear. Men and women have their own financial circuits and money providers (as observed also by Harriss-White and Colatei (2004) in other villages of Tamil Nadu).

Some of these circuits are female-based and entail similar forms of exchange to those already described, namely reciprocity between close circles, market-based relationships with professional female moneylenders or hierarchical relationships with the wives of landowners, and also amongst kin.

When women have to borrow from male providers, they have to contend with the specific demand of preserving their "morality". Even if social norms are more "women-friendly" in Tamil Nadu than in other parts of India, especially the north (Agarwal 1994; Harriss-White 1990), there is still strong control over female bodies and women's sexuality. Even in low castes, where male control is less strict (Kapadia 1996), financial transactions easily become suspect. A woman who borrows from a man from outside the family is immediately accused of being an "easy women" or a prostitute. At the same time, sexual harassment, whether verbal or physical, is extremely common among male lenders when they lend to women. Thus women often face a trade-off between financial cost and the consequences for their own reputation as females. This trade-off is all the more complicated for single women.

To sum up our arguments, the financial indicators applied here demonstrate the role of debt as a factor in impoverishment. All 20 per cent of the most indebted households interviewed for the second survey are over-indebted, whether transiently, chronically, or condemned to extreme dependence. In many cases, however, the poor do not seek to pay off their debts (besides those which are the most dishonouring). Their main objective is rather to sustain or improve their creditworthiness.

Sustaining creditworthiness over paying off debts

Households' creditworthiness is above all a matter of trust, the term used locally when people refer to their ability to access credit. The fabric of trust covers many aspects that far exceed good credit history and repayment behaviour, and relates to every aspect of the borrowers' reputation. Creditworthiness is rarely assessed on the individual level, and often incorporates the reputation and morality of the whole family or even lineage (Harriss-White and Colatei 2004). Lenders often state that they take two levels into account. One relates to family and lineage, namely the family's history, its "ethical" background and "morality". The second level is individual, relating very broadly to the "quality" of a person. It is therefore perfectly rational that the poor attach an equal importance to their reputation.

Material matters do count too, of course, but their evaluation is highly subjective. Tangible assets include land, housing, jewellry, livestock, and income sources. As far as land is concerned, quality is as important as size, concerning matters of cultivatable land and access to irrigation, but also location. Land and housing in *ceries* (the area of the village to which the lowest castes are confined) have very poor market value. As far as income is concerned, not only does the number of household earners come into play, but also the frequency of their income and the household's ability to raise lump sums. In this respect, producer and migrant households have a clear advantage.

"Behaviour" also matters. As previously discussed, low castes are often seen as risky borrowers. Irrespective of caste, bad habits such as laziness, alcoholism and gambling are considered as indicators of poor repayment potential. As discussed above, respect and deference are also highly valued. Potential borrowers should equally show respect to their lenders and at times to their communities.

Last but not least, in many cases a guarantor is required in order to borrow from "well-known people", whatever the borrower's profile. The potential borrower's reputation within his/her own circle is therefore another fundamental criteria. Good faith is usually not enough, as lenders ensure that guarantors and borrowers have specific connections. Kinship, neighbourhood, labour and also SHG membership are taken into account.

Creditworthiness is not a given but demands constant maintenance, updating and strengthening one's reputation and relationships. Juggling is a fundamental component of this. Contracting debt in one place to repay it elsewhere is a constant practice. The poor often state that they "borrow and repay like they breathe" to convey the idea of this ongoing circulation of money. The English term "rotation" is also commonly used. The rotation of loans arises either out of genuine constraint or informed and calculated arbitrations. Juggling demands specific skills. More than juggling money, it involves juggling temporalities and social relationships (deciding whom should be paid and in what priority). Calculations include questions of cost (expensive debts should be repaid first), but also social considerations, both of which are closely interrelated, as juggling practices aim to maintain eligibility for future loans and to sustain the family's reputation.

When juggling is no longer possible, the household sinks into dependence (the third category mentioned earlier). Most have faced a succession of financial knocks, such that their assets (both tangible and intangible) gradually crumble. Households sell off their livestock, jewellery, sometimes their land, and exceptionally, their houses. Repayments start to take up an increasing proportion of their income. Their social network becomes exhausted. In other words, they gradually lose their creditworthiness, both financially and socially. Individuals state that it is worst when people know that you are struggling with debt. They start to avoid you and don't send you invitations any more because they are afraid to be solicited. The final stage is a stage of dependency and humiliation. This process is more or less violent and swift depending on the household's initial position, both in terms of assets and networks.

Conclusion

By its analysis of four villages in the South Arcot region of Tamil Nadu, the main purpose of this paper has been to examine the over-indebtedness of poor rural households. Far beyond the specificities of this particular case study, its analysis sheds light on theoretical debates regarding the nature of debt and over-indebtedness, and the role they play in broader socioeconomic and political processes.

Echoing a vast body of recent literature on poverty, we have found that the poor, regardless of gender, are far from motivated simply by the need to eat. Their daily lives are based around various strategies aiming at maintaining, protecting and sometimes increasing their sense of dignity. Both indebtedness and over-indebtedness are central to this process.

Rural poor households of course borrow because they need cash to meet certain specific needs. They naturally look for cheap costs, repayment modalities adapted to their cash flows and flexible conditions. However, debts are not just monetary flows for topping up irregular and low incomes, and for coping with unpredictable expenses. They are not just financial transactions defined in terms of amount loaned, repayment period or interest rates, but are first and foremost relationships between a debtor and a creditor. Debts are shaped by and constitutive of social relationships and social hierarchies, especially those related to caste, class, gender and kin. The social meaning of debt, which is defined here as the process by which debt sets debtors and creditors into local systems of hierarchies, is as important as its financial criteria. The social meaning of debt depends upon pre-existing relationships between debtors and creditors, and debt in turn strengthens, preserves and sometimes challenges pre-existing positions within local hierarchies. Depending on how debt is experienced and perceived, and on the nature of the relationship between debtor and creditor, and the set of rights and obligations that link debtors and creditors, debt may be a mark of respect, a source of honour and distinction, or conversely a source of humiliation, shame and sometimes social exclusion. Because of its social meaning, debt is also highly socially regulated, in the sense defined by Barbara Harriss-White (2003). According to their social membership and position within local hierarchies, and whether in relation to community or kin, men and women do not have access to the same lenders, and do not experience debt in the same way (Guérin *et al.* 2012b).

As a consequence, over-indebtedness as a definition cannot be restricted to processes of material impoverishment. Material pauperization through debt certainly does take place, and our figures highlight that debt repayments take up significant portions of households' incomes. But what also matter are the consequences of debt for social status: debts are valuated and ranked according to losses and gains of self-respect and dignity. "Bad" debts are rarely the most expensive, financially speaking, but those that tarnish the reputation of the family and jeopardize its future. Bad debts serve to reveal that a household is unable to maintain its position in the social hierarchy. The poor do undertake financial reasoning, but financial criteria are not a priority and debt behaviours stem from subtle arbitrations between financial costs and social status.

Our study also sheds light on the dialectic between micro and macro social processes. Debt and over-indebtedness among households and individuals within households are indicative of broader patterns of accumulation and distribution across a given society. In rural India, debt has long been a source of the impoverishment and exploitation of the labouring poor (Breman 2007; Hardiman 1996; Pouchepadass 1980). Our findings suggest that in the villages studied here, households' over-indebtedness highlights the contradictions of the urbanization and "modernization" of rural South India (Kapadia 2002; Olsen and Morgan 2010). Over-indebted households of course struggle to make ends meet and face material poverty. But some of them also have growing social aspirations, which are hardly compatible with income uncertainty and job precariousness. Social aspirations translate not only into expensive needs, but also into the willingness to engage in market debt relationships, which are also more costly financially than traditional relationships of dependency and patronage. In other words, those who are at the bottom of the hierarchy are faced with a Faustian choice, between on the one hand the financial price of the market, and on the other hand the social cost of dependency.

What could the role of microcredit be in this Faustian choice? Many of the families in our study have microcredit (41.3 per cent), but the amounts are rather low in proportion to their total debt (13.5 per cent on average). Household over-indebtedness is therefore in no way related to microcredit. Could microcredit then be a possible substitute for the debt ties discussed here, and help households to gradually get out of informal debt, as many microcredit advocates have claimed?[10] This looks unlikely for various reasons. First, as long as poor rural Indian households lack social protection and employment security – which unfortunately seems likely to continue for now – the sort of local financial arrangements discussed here have many comparative advantages. Second, households and individuals juggle with many various loan sources, each of which has its own economic, as well as social and moral, strengths and weaknesses. The multiple reasoning behind debt, as we have seen, is under constant tension and the site of subtle, complex reasoning and trade-offs. As a result, there is a plethora of complementary, and often incommensurable, non-substitutable financial practices (Guérin *et al.* 2012a). As a consequence, microcredit is not used as an alternative but as an additional source of liquidity, both to better manage time lags between revenues and expenditures and to better coordinate a variety of socio-financial relationships (Roesch and Héliès 2007; Guérin, under review).

Notes

1 Quantitative data were collected by Ophelie Héliès and S. Ponnarasu as part of an MPhil thesis (Héliès 2006). We sincerely thank them for their dedication and rigour. Qualitative interviews and statistical analysis were carried out under the RUME project (see www.rume-rural-microfinance.org) funded by the French National Agency for Research (ANR). We thank Marek Hudon, Barbara Harriss-White, Solène Morvant-Roux, David Picherit, Jonathan Pattenden and Magdalena Villarreal for their comments on an earlier version of the paper.
2 See also Picherit (2009a) for Andhra Pradesh.
3 As also shown by Solène Morvant-Roux in rural southern Mexico (Morvant-Roux 2006).
4 See, for example, Bouman (1989), Chandavarkar (1994), Collins *et al.* (2009), Drèze *et al.* (1997), Gooptu (2001: 54), Hardiman (1996), Harriss, B. (1981), Jones and Howard (1994), Mosse (2005), Pouchepadass (1980), Sriram and Parhi (2006).
5 Disparities between households are analysed in more detail in a further publication (Guérin *et al.* 2012b).
6 No other criteria were used for selection: we simply selected the 20 per cent most indebted.
7 Many people under-estimate their debt levels for various reasons, including shame, concern for confidentiality and fear of losing access to loans (for fear that the survey results might be disclosed to NGOs or governmental units). For further discussion of the challenges of collecting reliable data on debt, see Morvant-Roux (2006), and Collins *et al.* (2009).
8 In many cases, especially as regards pawnbrokers and well-known persons, monthly repayments include only the interest and the capital is paid at the end. Unpaid interest is added to the capital.
9 In order to limit the duration of interviews, the survey was limited to amounts exceeding INR500 and thus under-estimates the importance of relatives and friends.
10 The evolutionist scenario argument is found in various official reports in India (see for instance Government of India (2008); Nabard (2008) and beyond (see for instance the report *Finance for all* of the World Bank (2007)).

References

Agarwal, Bina (1994) *A field on One's Own: Gender and Land Rights in South Asia*, Cambridge: Cambridge University Press.

Bloch, Maurice and Parry, Jonathan (eds) (1989) *Money and the Morality of Exchange*, Cambridge: Cambridge University Press.

Bouman, F. J. A. and Hospes, O. (eds) (1994) *Financial Landscape Reconstructed: The Fine Art of Mapping Development*, Boulder, CO: Westview Press.

Breman, Jan (1974) *Patronage and Exploitation: Changing Agrarian Relations in South Gujarat, India*, Berkeley: University of California Press.

Breman, Jan, (2007) *Labour Bondage in West India, From Past to Present*, Oxford, Oxford University Press.

Breman, Jan, Guérin, Isabelle and Aseem, Prakash (eds) (2009) *India's Unfree Workforce of Bondage Old and New*, New Delhi: Oxford University Press.

Bouman, F. A. J. (1989) *Small, Short and Unsecured – Informal Rural Finance in India*, Delhi/Oxford/New York: Oxford University Press.

Cederlöf, Gunnel (1997) *Bonds Lost; Subordination, Conflict and Mobilisation in Rural South India* c.*1900–1970*, New Delhi: Manohar.

Chandavarkar, Rajnarayan (1994) *The Origins of Industrial Capitalism: Business Strategies and the Working Classes in Bombay, 1900–1940*, Cambridge: Cambridge University Press.

Collins, D., Morduch, J., Rutherford, S. and Ruthven, O. (2009) *Portfolios of the Poor: How the World's Poor Live on $2 a Day*, Princeton: Princeton University Press.

De Neve, Gert (2005) *The Everyday Politics of Labour: Working Lives in India's Informal Economy*, New Delhi: Esha Béteille Social Sciences Press.

Djurfeldt, Göran, Athreya, V., Jayakumar, N., Lindberg, S., Rajagopal, A. and Vidyasagar, R. (1008) "Agrarian change and social mobility in Tamil Nadu", *Economic and Political Weekly*, 43(45): 50–62.

Drèze, Jean, Lanjouw, Peter and Sharma, Naresh, "Credit in rural India: a case study", *Discussion Paper DEDPS/6*, London: The Suntory Centre/Suntory and Toyota International Centres for Economics and Related Disciplines/London School of Economics and Political Science/Hyderabad Institute of Public Enterprises.

Fouillet, Cyril (2009) "La construction spatiale de la microfinance en Inde", Doctoral Thesis, Université Libre de Bruxelles.

Garikipati, Supriya (2008) "The impact of lending to women on household vulnerability and women's empowerment: evidence from India", *World Development*, 36(12): 2620–2642.

Gooptu, Nandini (2001) *The Politics of the Urban Poor in Early Twentieth Century India*, Cambridge: Cambridge University Press.

Gorringe, Hugo (2010) "Shifting the 'grindstone of caste'? Decreasing dependency among Dalit labourers in Tamil Nadu", *in* Harriss-White and Heyer (eds), *The Political Economy of Development: Africa and South Asia Compared*, Routledge: London, pp. 248–267.

Government of India (2007) *Report of the Expert Group on Agriculture Indebtedness*, New Delhi: Banking Division/Department of Economic Affairs/Ministry of Finance/ Government of India.

Government of India (2008) *Report of the Committee on Financial Inclusion*, NewDelhi: Government of India.

Guérin, Isabelle (under review) Juggling with debt, social ties and values.

Guérin, Isabelle, Roesch, Marc, Venkatasubramanian, G. and D'Espallier, Bert (2012a) "Credit from whom and for what? Diversity of borrowing sources and uses in rural South-India", *Journal of International Development*, (24): S122–S137.

Guérin, Isabelle, D'Espallier, B. and Venkatasubramanian, G. (2012b) "Debt in rural South India: fragmentation, social regulation and discrimination", *Journal of Development Studies*, DOI:10.1080/00220388.2012.720365 (early view).

Guérin, I., Morvant, S. and. Servet, J.-M. (2011) "Understanding the diversity and complexity of demand for microfinance services: lessons from informal finance", in Armendariz, B. and Labie, M. (eds) *Handbook of Microfinance*, London/Singapore: World Scientific Publishing, pp. 101–122.

Guyer, Jane (ed.) (1995) *Money Matters: Instability, Values and Social Payments in the Modern History of West African communities*, London/Portsmouth (NH): Currey/ Heinemann.

Hardiman, David (1996) *Feeding the Baniya: Peasants and usurers in Western India*, New Delhi: Oxford University Press.

Harriss, Barbara (1981) *Transitional Trade and Rural Development*, Delhi: Vikas Publishing House.

Harriss, John (1999) "Comparing Political Regimes across Indian States", *Economic and Political Weekly*, 27 November.

Harriss-White, Barbara (1990) "The intrafamily distribution of hunger in South Asia", in Dreze, J. and Sen, A. (eds.) *The Political Economy of Hunger. Volume I: Entitlement and Well-being*. Oxford: Clarendon Press, pp. 351–424.

Harriss-White, Barbara (1996) *A Political Economy of Agricultural Markets in South-India: Masters of the Countryside*, New Delhi: Sage Publications.

Harriss-White, Barbara (2003) *India Working: Essays on Society and Economy*, Cambridge: Cambridge University Press.

Harriss-White, Barbara and Colatei, Diego (2004) "Rural credit and the collateral question", in Harriss-White, B. and Janakarajan, S. (eds) *Rural India facing the 21st century: Essays on Long Term Change and Recent Development Policy*, London: Anthem South Asian Studies.

Harriss-White, Barbara and Heyer, Judith (eds) (2010) *The Political Economy of Development: Africa and South Asia Compared*, Routledge: London.

Héliès, Ophélie (2006) "Du surendettement à son traitement: micro finance et macro enjeux: étude des processus de surendettement des ménages ruraux dans le Tamil Nadu, Inde, Mémoire d'ingénieur", Montpellier: Supagro.

Heyer, Judith (2010) "The marginalisation of Dalits in a modernising economy", *in* Harriss-White, B. and Heyer, J. (eds), *The Comparative Political Economy of Development Africa and South Asia*, Routledge: London, pp. 225–247.

Jones, J. and Howard, M. (1994) "A changing financial landscape in India: macro-level and micro-level perspectives, in Bouman, F. J. A. and Hopes, O. (eds) *Financial Landscape Reconstructed: The Fine Art of Mapping Development*, Boulder, CO: Westview Press, Chap 1, pp. 1–18.

Kapadia, Karin (1996) *Siva and Her Sisters. Gender, Caste and Class in Rural South India*, New Delhi: Oxford University Press.

Kapadia, Karin (2002) "Translocal modernities and transformations of gender and caste", in Kapadia, Karin (ed.) *The Volence of Development: The Politics of Identity, Gender and Social Inequalities in India*, New Delhi: Kali for Women, pp. 142–182.

Lont, H. and Hopes O. (eds) (2004) *Livelihood and Microfinance: Anthropological and Sociological Perspectives on Savings and Debt*, Delft: Eburon Academic Publishers.

Malamoud, Charles (ed.) (1988) *Lien de vie, nœud mortel. Les représentations de la dette en Chine, au Japon et dans le monde indien*, Paris: Editions EHESS.

Marius-Gnanou, Kamala (1993) "Socio-economic impact of the Green Revolution on Tamil rural society: the example of Pondicherry area", in *Pondy Papers in Social Sciences*, Pondicherry: Institut Français de Pondichéry, Number 11.

Mohanty, B. B. (2005) " 'We are Like the Living Dead': Farmer Suicides in Maharashtra, Western India", *The Journal of Peasant Studies*, 32(2): 243–276.

Morvant-Roux, Solène (2006) "Processus d'appropriation des dispositifs de microfinance: un exemple en milieu rural mexicain", Thèse de doctorat en sciences économiques, Université Lumière Lyon 2.

Morvant-Roux, Solène (2009) "Accès au microcrédit et continuité des dynamiques d'endettement au Mexique: combiner anthropologie, économique et économétrie', *Revue Tiers Monde*, 197: 109–130.

Mosse David (2005) *Cultivating Development: An Ethnography of Aid Policy and Practice*, London and Ann Arbor (MI): Pluto Press.

NABARD (National Bank for Agriculture and Rural Development) (2008) *Report of the Committee on Financial Inclusion*, New Delhi: Nabard.

NSSO (2003) *Household Indebtedness in India as on 30.06.2002 All India Debt and Investment Survey* (AIDIS), National Sample Survey Organisation (NSSO) Fifty-Ninth Round, New Delhi: NSSO/Ministry of Statistics and Programme Implementation Government of India.

Olsen, Wendy K. and Morgan, James (2010) "Aspiration problems in Indian micro-ainance: a case study exploration", *Journal of Developing Societies*, (26): 415–454.

Picherit, David (2009a) "'Workers, trust us!': labour middlemen and the rise of the lower castes in Andhra Pradesh', in Breman *et al. India's Unfree Workforce of Bondage Old and New*, New Delhi: Oxford University Press, op. cit. pp. 259–283.

Picherit, David (2009b) "Entre villages et chantiers: circulation des travailleurs, clientélisme et politisation des basses castes en Andhra Pradesh, Inde", Thèse de doctorat en ethnologie, Université Paris X Nanterre.

Polzin, Christine (2009) "Institutional change in Indian informal credit. An investigation through the lens of Arni and Vinayagapuram", Paper presented at the seminar "Market town, market society, informal economy", Wolfson College Contemporary South Asian Studies Programme, School of Interdisciplinary Area Studies, Oxford University, 8–9 June 2009.

Pouchepadass, Jacques (1980) "L'endettement paysan dans le Bihar colonial", in Malamoud, C. (ed.) *La dette*, Paris: Ecole des Hautes Etudes en Sciences sociales (coll. *Purusartha*, vol. 4), pp. 165–205.

Ramachandran, V. K. and Swaminathan, Madhura (2005) "Financial liberalization, rural credit and landless labour households: evidence from a Tamil Nadu village, 1977, 1985 and 1999", in Ramachandran, V. K. and Swaminathan, Madhura (eds) *Financial Liberalization and Rural Credit in India*, New Delhi: Tulika Books, pp. 157–177.

Roesch, Marc and Heliès, Ophélie (2007) "La microfinance: outil de gestion du risque ou de mise en danger par sur-endettement?", *Revue Autrepart* (44): 119–140.

Sa-Dhan (2009) *The Bharat Microfinance Report – Quick Data 2009*, NewDelhi: Sa-Dhan.

Servet, Jean-Michel (1984) *Nomismata. Etat et origines de la monnaie*, Lyon: Presses Universitaires de Lyon.

Servet, Jean-Michel (1996) "Community relations, individual, social and economics constraints in the savings and loans associations", African exain Cangiani (ed.) *The Milano Papers*, Montreal/London: Black Rose Books.

Servet, Jean-Michel (2006) *Banquiers aux pieds nus: La microfinance*, Paris: Odile Jacob.

Shipton, Parker (2007) *The Nature of Entrustment: Intimacy, Exchange and the Sacred in Africa*, New-Haven (CT) and London: Yale University Press.

Srinivasan, N. (2009) *Microfinance India: State of the Sector, Report 2008*, New Delhi: Sage Publications.

Sriram, M. S. and Parhi, Smita (2006) "Financial status of rural poor: a study in udaipur district", *Economic and Political Weekly*, 41(51): 5269–5275.

Vijayabaskar, M., Swaminathan, P., Anandhi, S. and Balagopal, G., "Human development in Tamil Nadu: examining linkages", *Economic and Political Weekly*, 39(8): 797–806.

Villarreal, Magdalena (2004) "Striving to make capital do 'economic things' for the impoverished: on the issue of capitalization in rural microenterprises", in Kontinen, T. (ed.) *Development Intervention: Actor and Activity Perspectives*, Helsinki: University of Helsinki, pp. 67–81.

Villarreal, Magdalena (2009) *Mujeres, finanzas sociales y violencia economica en zonas marginadas de Guadalajara*, Guadalajara (Mexico): Instituto Jalisciense de las Mujeres (IJM) and Instituto Municipal de las Mujeres en Guadalajara (IMMG.

World Bank (2007) *Finance for All? Policies and Pitfalls in Expanding Access. A World Bank Policy Research Report*, Washington, DC: World Bank.

Zelizer, Viviana (1994) *The Social Meaning of Money*, New York: Basic Books.

Zelizer, Viviana (2005) *The Purchase of Intimacy*, Princeton: Princeton University Press.

Guérin Isabelle, Roesch M., Venkatasubramanian G., Santosh Kumar K.S. (2014)

The social meaning of over-indebtedness in the context of poor rural South Indian households (Tamil Nadu)

In : Guérin Isabelle (ed.), Morvant-Roux S. (ed.), Villarreal M. (ed.). *Microfinance, debt and over-indebtedness : juggling with money*

Londres (GBR) ; New York : Routledge, p. 125-150. (Routledge Studies in Development Economics ; 104)

ISBN 978-0-415-83525-1