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Fraught transactions: The ethics of monetary
exchange in India



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Abstract

Since the 1950s, public discourse in India has been replete with references to ‘black money’. This generally denotes undeclared or illicit income, sometimes in foreign accounts. Under post-independence socialist rule – so as to circumvent taxes, controls, and regulations – black money pervaded ordinary exchange and political financing. Today, important purchases have white and black ratios, and public figures vow to retrieve black money in Swiss accounts. Black money is, at once, a means to transact business, a barometer of value, an elusive spectre, and a moral outrage. It suggests how money can be differentiated, converted, corrupted, and disguised.

Based on an ethnographic study of a popular neighbourhood in central Mumbai, I focus on a ration shop operator’s generation of black money from the diversion of publicly subsidized goods, the surrounding community’s moral critiques, and the owner’s conduits for his income. Black money can be understood in equivocal terms. As a moral critique rooted in notions of injustice and corruption, it acquires a spectral and pernicious character. Yet seen from the perspective of exchange and circulation, black money serves as a hinge between transactional orders, and thus as a tangible expression of relational ties and long-term outcomes.

Keywords: Money, morality, exchange, value, transactional orders, India

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I. Introduction

On a nondescript, cramped lane in central Mumbai, across from a construction-goods store stacked with plastic tubing, is Mr. Jayakar's shop. Next door, at a refiner of grains and pulses, a noisy, rumbling machine produces a perpetual cloud of flour that hovers, mist-like, in the street. These establishments, in a neighbourhood called Matunga Labour Camp – or simply Labour Camp by residents – serve a lower middle-class population. Most residents are migrants, or the descendants of migrants, from within India, and many work in the informal economy. Humble in size and features, the shop remains indispensable to residents' everyday lives. Mr. Jayakar (a pseudonym) operates one of India's publicly subsidized ration shops, one of millions in rural and urban parts of the country. These shops may sell staples such as flour, sugar, and lentils to those officially deemed under an income threshold. Mr. Jayakar's establishment focuses on kerosene, used in rural areas without electricity for lighting, and in popular urban areas as cooking fuel. Invariably, long lines of residents – generally women, elders, and children of the household – wait holding hard, dented plastic jugs for their allotment. Sometimes, because the shop's opening hours fluctuate at will, residents leave their jugs in a multi-coloured queue and depart to conduct chores, re-materializing when hearing rumours of imminent disbursement.

India's vast infrastructure of ration shops – formally termed the Public Distribution System – can be thought of as institutionalized and parallel systems of exchange, ambivalently tethered to money. Ration-card holders are prescribed, on a household basis, a monthly allotment of publicly procured goods. These are collected, free or at a subsidized rate, upon presentation of one's ration card or booklet. Those below a certain income threshold – Below Poverty Line, or BPL – are entitled to greater amounts of certain goods such as kerosene. Ration shops are typically thought to be places of unsavoury corruption. Operators may be seen to divert state-procured and subsidized goods for sale on the open market. Reports abound of shops demanding higher rates than are officially mandated for goods, and bribes to access shortages of certain commodities.

Some residents do complain that Mr. Jayakar's attendants will not give them their entitlement without a small bribe. Many feel that they do not receive their kerosene entitlement, in quality or quantity, and that the operator, rather than the public, benefits most. Others tell of passing on their ration goods to others in the locality, in exchange for cash or bartered for something else. In an Indian ration shop, money

and non-monetary exchange seem to intersect awkwardly. The official and unofficial transactions therein blur the domains of the public-rational and secret-invisible.

In the estimation of locals, Mr. Jayakar siphons off a percentage of his state-subsidized kerosene, and sells it on the black market, where it is mixed with higher-cost automotive fuels and lubricants. In this way, Mr. Jayakar seems to make 'black money' out of his privileged access to a non-monetized public good. The term encompasses income tainted by its illegitimate source, undeclared nature, and, when sent abroad, extra-territorial location. Whatever colour Mr. Jayakar's money is, it becomes apparent that he has plenty of it, and that he distributes it variously.

During nine months of fieldwork in Labour Camp, carried out between 2011 and 2013, I was exposed to equivocal readings of black money. As a moral critique rooted in notions of injustice and corruption, the area's residents understand it in spectral, pernicious, terms. Here, money is spoken of as immaterial and illegitimate (Appadurai 2000; Dodd 2014). Yet a different perspective is provided when looking at Mr. Jayakar's various exchanges, investments, and donations. Money here serves as a hinge between transactional orders, and thus as a tangible expression of relational ties and possible outcomes (Parry and Bloch 1989; Guyer 2004).

For example, I learn that Mr. Jayakar's money underwrites participation in speculative games, real estate investments, the funding of family businesses, campaign support for municipal politicians, and donations towards religious temples and festivals. Labour Camp's ration-card holders, obviously, see the injustice that allows Mr. Jayakar such flexibility and freedom. Their sentiment echoes a national refrain about black money, associated with immorality and blamed for subverting development. Money here is primarily a speculative discourse of immaterial and ill-gotten wealth. Mr. Jayakar's proceeds, however, suggest that black money, as a species of money at large, simultaneously underwrite kinship, community, neighbourhood, polity and the collective order.

Given this, we might ask some questions about this most elusive and inscrutable yet routinized and quotidian monetary form. What is black money, and why does it have such ubiquity and publicity? Is it best understood as a semiotic sign, whose relevance is primarily discursive and representational? Or is black money more aptly understood as a medium, a value-form whose significance lies in the domain of exchange and circulation? What are the moral, temporal, and spatial dimensions of black money? And how does black money mediate between relational domains, transactional orders, and temporal horizons?

I seek to address these questions by outlining black money's pervasiveness in national debates, political finance, and ordinary exchange. In the following section, I discuss how black money provides a window onto a cultural theory of money in India, shaped by colonial, nationalist, socialist, and developmental currents. At issue here are the semiotics of money; black money, as a sign, may denote wealth that has a tangible, material form, and simultaneously be conjured as a spectral, immaterial hoard. Though a symbolic analytical approach illuminates a public understanding of money and the cultural anxieties that attend it, it is limited by a circularity that limits a deeper understanding of money's relationship to relationality, morality, and temporality.

To glean such details we might move, I suggest, to the arena of exchange, namely the relational domains and transactional orders implied in its production and circulation. This ethnography of Mr. Jayakar's kerosene business, and his other monetary activities, illuminates the benefits of an exchange-based approach. In so doing, this paper argues that black money, while understood as a subversive threat to moral conduct and collective thriving, may also be seen as a hinge between transactional orders and as indispensable to the maintenance and longevity of the collective, political, and religious order.

II. The Semiotics of Black Money: National and Moral Dimensions

Since the 1950s, public discourse in India has been replete with references to black money. This term denotes liquidity that is undeclared. Its common material expressions are cash, property, and gold. It can include capital obtained through illicit means, such as bribes, or black market commerce such as smuggling, gambling, and prostitution. Black money also suggests profits illicitly siphoned out of the country, such as into offshore bank accounts.

Black money has mainly been studied with a view to policy. Some have tried to define its contours, often artificially excluding or simplifying income that is, in practice, used to refer to myriad forms simultaneously. For example, one study distinguishes between the realms of black income within a set time-period, wealth that is immobile, and turnover that is extra-legal (Acharya et al. 1985: 6). In contrast, I show that black money's rapid circulation, and movement in and out of relational domains

and transactional orders, makes this categorization somewhat artificial. Black money may refer to proceeds associated with various activities, moved across distinct geographies, and manifested in different forms. I seek to keep black money's polyvalent character intact, insofar as it is inherent to a wider sensibility surrounding money.

Black money can thus be thought of as a value-form that differentiates and mediates. It can distinguish or connect subject and object, national and extra-territorial, moral and immoral, and spectral and material. For example, black money may signal the material and immaterial. Gold nuggets, penthouse apartments, and Bollywood films are tangible manifestations of its existence. Yet black money is also an elusive spectre, countless zeroes attached to a proxy offshore account. The discourse of black money further marks a regulated spatial sphere of exchange defined by the national border.¹ Finally, black money specifies a distinction in moral character, between the upstanding and disreputable. In the class jockeying of India's urban elite, for example, status distinctions separate the salaried 'professional' who earns taxed white money, and the dubious 'businessman' who operates in the cash, untaxed economy of black money (Searle 2013: 273).

Given all of this, in anthropological terms, we can comparatively categorize black money among a vast array of 'adjectivally marked moneys' – hot, liquid, dirty, fast, bitter, polluted – that societies develop to parse certain types of money from others (Maurer 2006: 24; Shipton 1989; High 2013). Here, I focus on black money (in Hindustani, *kala dhan*) as the most ubiquitous articulation of such marked money in India. There are, however, lesser-used terms that overlap with it. One such term is 'speed money', which refers to bribes given by businesses or citizens to officials so as to expedite bureaucratic approvals and hasten delivery of public services (Beren-schot 2010: 889; Weinstein 2014: 128). Another widely heard term, used for one-off and smaller bribes, is 'money for tea and water' (*chai-paani ka paisa*). Later, I dis-

1 It is worth emphasizing that the normative overlap between monetary circulation, territorial borders, and the nation-state is a historically contingent formulation. The notion of India (or *Bharat*) as a bounded national territory and homogenous financial and transactional space emerged in the late nineteenth century in both nationalist discourse and colonial bureaucratic and representational practices (Goswami 2004). Yet monetary flows have long exceeded the imagined contours of a delimited India. For example, certain Indian merchant communities have long had an imprint elsewhere. Sindhis in Central Asia and Chettiars in Southeast Asia engaged in elaborate trading and money-lending activities that were trans-regional in scope, during the pre-colonial and colonial eras (Amrith 2013: 130; Markovits 2000: 82-83). As such, Indian monetary transactions have had a longstanding mobility belied by the putative naturalness of national borders.

cuss synonyms for black money that are similarly marked, such as ‘number 2 money’ (*do number ka paisa*).²

However, commentators suggest that black money first acquired public significance in India during the Second World War.³ During this period, merchants and traders were thought to have amassed significant shortage-induced profits that remained hidden. After 1947, in the post-independence period, black money surfaced in terms of access and ability. Those with access to publicly controlled goods, the channels by which they were circulated, and other restricted, valuable, and non-monetized things (permits, licences, jobs, transfers, student admissions, exams) could derive black money from their unauthorized sale. And those with the ability to skilfully circulate and convert money – often requiring networks of finance professionals, brokers, smugglers, as well as other specialists – could invest, hide, launder and thus transmute income.

During India’s socialist phase – so as to circumvent excise taxes, unfavourable exchange rates, and onerous import controls – black money acquired a prominent presence, ubiquitous in commercial transactions, and in national discourse. This was especially true after the late 1960s, with the ascendance of left-wing populism within the dominant Congress party. During this period, a significant portion of exchange was done off the books; a small segment of a transaction was conducted with ‘white money’, implying bank drafts and taxable receipts, while the larger balance was settled with black money, or undetectable cash transfer. Certain swaths of the economy were notoriously shaped by these conversions. For example, the burgeoning film industry centred in Mumbai expanded considerably after the 1940s, partly because it has proved conducive for laundering income. Those with access to income gleaned in other markets – such as jewellers, property developers, commodity tradesmen, and brokers – could back particular stars, directors, and productions. Capital gener-

2 There are other suggestive Hindustani terms for ill-gotten income. Young guides and commission brokers in north India, seen to engage in disreputable work, evoke talk of ‘bad money’ (*galat paisa*), ‘cheating money’ (*cheating ka paisa*), and ‘wicked money’ (*haram ka paisa*) (Huberman 2012: 167).

3 Given overlapping political histories and cultural affiliations in South Asia, the term black money is prevalent throughout the region. In Pakistan, Bangladesh, and Nepal, black money is a recurring feature of reports about corruption, illegal trades, and money laundering. At a more analytical level, my argument about the equivocal evaluation of black money in India is echoed by Ruud’s ethnography (2011) in rural Bangladesh. In the view of Bangladeshis, black money may be seen as illegitimate and evidence of wider corruption, but also as an instrument that enables action and is integral to the efficacy of power (2011: 66).

ated elsewhere, and invested in films, thereby turned into white money (Booth 2008: 97-99). Indeed, black money has helped infuse the ‘speculation, solicitation, risk, and violence’ that mark Bollywood (Appadurai 2000: 633).

During economic crises and periods of political upheaval, the government targeted those suspected of having black money. For example, during the 1975-1977 Emergency – a nearly two-year period when democratic conventions were suspended – the spectre of black money loomed large. Laws were passed that mandated stiff penalties for black money holders, and tax collectors were empowered accordingly (Hewitt 2008: 128). Crackdowns on tax evaders, smugglers, hoarders, and profiteers figured prominently in state propaganda. In one example, from *Yojana*, the Planning Commission periodical, a government advertisement titled ‘Drive against Black Money’ trumpets efforts to uncover and declare hidden wealth (01 July 1976, p. 30). This was a period of heightened government inspections and audits, targeting those conducting non-state sanctioned forms of exchange.

Simultaneously during India’s socialist phase, black money became indispensable to democratic politics. During the late 1960s, business regulations tightened, and, in 1969, amidst populist measures such as the nationalisation of banks, corporate contributions to political parties were banned. The Congress party, then unchallenged, was a beneficiary of quiet strategic donations from large industrial houses (Chibber 2011: 284). This form of ‘briefcase politics’ involved the exchange of government licenses or permits required for business in return for contributions (‘number two money’) to the party coffers (Kochanek 1987: 1290). In the 1970s and 1980s, the discrepancy between legal election expenditure limits and the actual money spent during polls ballooned, with the deficit filled, to a great extent, by black money (Acharya et al. 1985: 239-240).

The evolution and expansion of this semiotically-burdened form of money has converged, since the 1980s, with other developments. These include the fragmentation of the political landscape, the entry of new political parties, the ever-increasing size of constituencies, the creation of new elected positions at the local, state and central level, and the growth of the mass media. New and voluminous streams of capital-accumulation, in the urban real estate market, have resulted in election finance flowing significantly from ‘builders’ or property developers (Kapur and Vaishnav 2011). All of these factors have resulted in amplified election expenses for political contestation, from municipality to Parliament.

Today, because some of the earlier architecture for political financing is still intact, and because discretionary, state-issued licenses, permits, and approvals are still essen-

tial to India's economy, black money remains indispensable during political campaigns and in market exchanges. Black money is routinely employed for campaign advertisements, and for the voter goodies – saris, alcohol, cash, meals – distributed before elections (Piliavksy 2014). Expensive purchases, such as for urban property and contemporary art, have precisely negotiated white and black ratios (Appadurai 2000: 639; Sooudi 2012: 134). By conducting property or art transfers substantially in black, buyers and sellers evade capital gains and wealth taxes, and stamp duty and registration fees. In estate planning, insurance, and tax accounting, undeclared wealth and foreign transfer are common. *Hawala*, the longstanding, non-institutional vehicle of international money transfer, popular through the Indian Ocean littoral, and often braided with *hundi* (credit instruments), is understood to revolve around black money (Jaffrelot 2010: 626; Martin 2009: 909).

In public discourse, though many actors are complicit with its production and circulation, black money is invariably lamented, sometimes in hyperbolic terms. I believe that this reflects the widespread sense that the Indian state has failed to prevent ostensibly non-monetized public goods from having a price-point. For example, government jobs and services, in a state sector that is vast and supports many tens of millions, are often contingent on monetary inducements (Gupta 2012). The monetized, instrumental, and self-interested inflections of an arena suffused by a discourse of merit, justice, and development are keenly felt. For example, many low-income Indians pay for state services that are ostensibly freely provided on the basis of their citizenship and residence. As Emma Tarlo has observed, 'the poor in Delhi relate to the state principally through the market. Basic amenities, such as land jobs, electricity, water and paving are things, not provided, but purchased in exchange for votes [and] money' (2003: 11).

This frustration at monetary exploitation provides one strand of the public antipathy towards black money, and intersects with another strand, that concerning its purportedly extra-territorial location. It is worth pointing out that this anxious refrain may exaggerate the amount of black money that is abroad. For example, during the lead-up to the 2009 general elections, a senior figure in the Communist Party of India stated in Parliament that 1.45 trillion in Indian deposits were sitting with Swiss banks (Madsen 2011). This figure, ostensibly based on a Swiss Banking Association report, was then widely circulated in political circles, and repeated in news commentary, acquiring an outsized facticity (*ibid.*: 90). Yet no Swiss association had published or verified this figure, and it was later found by researchers to be grossly exaggerated (Kar 2011: 51). This vignette illustrates how talk of black money acquires the

dimensions of speculative myth. Such stories may narratively verify the pervasive but secretive corruption which accompanies the monetization of public goods.

These two realms are distinct, insofar as it is unlikely that the many routinized and modest bribes incurred for public services make their way into Swiss accounts. At a symbolic level, however, they can be conflated: the small-time corruption deriving from privileged access to restricted public goods blurs with more spectacular sums revealed in high-profile public scandals. Since India's economic liberalization began in the 1990s, numerous scandals have involved outsized irregularities. Some have involved well-connected Delhi brokers of armaments, mobile telephony spectrum, and mineral resources. The media-fed outrage inflecting these episodes may amplify the resemblance between the everyday monetization of public goods, and the more lucrative and television-ready kind.

Thus public figures continue to invoke black money's existence elsewhere as an urgent problem. For example, in 2012, Baba Ramdev, a yoga and lifestyle guru popular among India's middle-class, carried out a massive protest fast in Delhi that condensed grievances about governance and corruption into a slogan: 'save the country, bring back the black money' (*desh ko bachao, kala dhan wapas lao*). During India's 2014 national election campaign, various candidates – from Arvind Kejriwal, an eclectic, public-minded reformer, to Narendra Modi, leader of the Hindu-first BJP – vowed to retrieve black money stashed in Swiss accounts. Indeed, Modi, as Prime Minister, made symbolic gestures towards sourcing and retrieving such income.

In this nationalist discourse – non-nativeness is key – black money is understood as dormant and unproductive. While white money, or official income, circulates freely and is usefully employed, black money is seen as stagnant and non-productive. The connotation of the latter is of a secret store of something valuable but dormant. Yet black money's seemingly stationary and underutilized nature is belied by research. Studies of Indian monetary inflows and outflows suggest that black money is frequently circulated into the country from abroad, a practice known in finance circles as 'round-tripping' (Kar 2011). These notions, in sum, reveal more about moral anxieties and speculative discourse, than what money actually does.

The public discourse traced above suggests that black money is an elusive spectre, and a moral outrage; that an inalienable part of the national essence is being laundered, converted, corrupted, and disguised. Here, the symbolism of black money is akin to anthropological discussions of the hoard (Weiner 1992). In many places, certain repositories of wealth – such as cattle, land, or adornments – constitute a form

of inalienable wealth. The rhetoric of black money, strikingly similar during India's socialist and neo-liberal dispensations, conjures up a similar notion – a national hoard, if you will – that is being ransacked.

This helps to explain the urgency, alarm, and moral stigma attached to black money. In government reports, policy documents, and academic papers, black money frequently indexes the absence or distortion of public morality. In 1970, for example, a government committee was chaired by a retired Supreme Court Justice, and dedicated to black money and the underground economy. Its final report explains the proliferation of tax evasion by way of the 'general deterioration in moral standards of our people' (Wanchoo 1971: 10). A later government investigation on black money echoed this formulation, seeing in black money a 'precipitous drop in public morality' blamed on 'new, moneyed elites with little to offer except their example of material success' (Acharya et al. 1985: 241). More recently, yet another government report on black money echoed this formulation: 'The fight against the menace of black money needs to be fought... at ethical level, we have to reinforce value/moral education in the school curriculum and build good citizens... the thrust of public policy should be to discourage conspicuous and wasteful consumption/expenditure, encourage savings, frugality and simplicity' (Indian Ministry of Finance 2002: 65). Academics studying black money generally adopt this language; one analyst talks of how 'the black economy is eating away at the innards of Indian society' (Kumar 2002: xxii).

At this point, it is apparent that black money is a vexed value-form. A nationalist discourse that privileges monetary productivity and territorial sanctity is pervasive, alongside a moralizing tone that disparages the selfishness and disloyalty of those with black money. In this rhetoric, black money is – as the dark twin of money, itself potentially spectral – hidden, inaccessible, and immaterial. Of course, black money can have a 'thingness' about it, given that it is manifested in gold adornments or contemporary art or high-rise apartments.⁴ Yet it is mostly inscrutable, abstract zeros lying somewhere out of reach.

4 A further exploration of this theme, the materiality of black money, lies outside the scope of this article. A study of the habits and notions that attend cash marked as black money would no doubt illuminate, as has been done elsewhere, how 'money is contextually differentiated and restricted in its convertability' (High 2013: 677) Studies have shown that the most common forms in which black money is held include residential and commercial property, as well as precious metals and gemstones (Acharya et al. 1985: 302). More recently, India's contemporary art market has been marked by an influx of capital from those seeking to launder black money. Property, art, and precious metals and gemstones,

Such dimensions accorded to black money may be thought to reflect the equivocal nature of money in general. Money acquires its charge from both publicity and secrecy; what is hidden from view may be as efficacious as that which is publicly flaunted (Robbins and Akin 1999). The idea that much Indian wealth lies in underground Zurich vaults may in this vein reflect a social critique. For howsoever much wealth is generated and distributed in India, many find this to occur in an unjust, asymmetrical, and secretive manner. While wealth-creation across class has grown since the 1990s, so has the sense that some are making out unduly well. In other words, the discontent surrounding black money may reflect the disorienting incommensurability between what one sees – the endless construction of buildings in urban India – and the puzzle as to who can afford them and how they pay for them. Speculation, about value and possible wealth, is here an effort to domesticate, through narration, the inexplicable and contingent variety of fortunes (Puri 2013). The much-hyped, much-rebuked, ever-persistent notion of offshore black money may thus represent money's irresolvable semiotic tensions. It draws attention to 'the gaps between representation and reality and sign and substance' (Maurer 2006: 30).

In the following sections, I will bracket aside this dimension of black money. Howsoever much it illuminates a broader cultural theory of money, further inquiry into these symbolic and representational aspects may not illuminate much beyond stigma and anxiety. At this altitude, we know very little about black money's trajectory as it moves across social spheres and generational horizons; nor about its presence in relational domains and transactional orders. In the following sections, I shift our analytical route towards these ends.

To emphasize black money within circuits of exchange is to more usefully understand how the circulation of money bridges different transactional orders and temporal horizons. Black money's production and circulation revolves around different kinds of social interchanges that have different relational ends and temporal horizons. As we shall see, black money is most visible in routinized if euphemized exchanges, such as those between businessman and state official or politicians and their constituencies. To comprehend black money beyond its symbolic or representational character, one might follow it as it is produced, transferred, donated, and invested. By doing so, we possibly and productively qualify some reigning assumptions attached to black money. As such, we will see how black money is generated and disbursed

as asset forms, offer obvious advantages. Depending on the market price, they spur the creation of higher yields than cash. Further, in case of detection or government raids, their ownership and provenance can be fudged.

in a Mumbai neighbourhood. I will argue that on the one hand, residents' moral critique of a ration shop operator's black money suggests that this marked money subverts social thriving. Yet at the same time, black money, from the perspective of his exchange and circulation, may be seen to foster it. By stitching together different relational domains, transactional orders, and temporal horizons of familial, political, and religious kinds, black money is seen to reflect money's equivocal nature.

III. Fuelling Black Money

For nine months, between 2011 and 2013, I conducted ethnographic fieldwork in Matunga Labour Camp, a popular, migrant-dominated neighbourhood in central Mumbai. It is located between a middle-class suburb, Mahim, and adjacent to Dharavi, the city's largest and best chronicled slum. Known locally as Labour Camp, the neighbourhood has a significant overlap in terms of economic activity and social profile with Dharavi, though many residents prefer to distinguish their area from the somewhat notorious mega-slum. Labour Camp had by the mid-20th century a concentration of working-class Maharashtrians working in the city's textile mills, and low-caste Valmikis from Haryana, some of them employed with the municipality in waste collection (Sharma 2000).

Today, Labour Camp's demographic is less tied to industrial labour, or to the rest of the state of Maharashtra. Most of the families I came to know – mostly migrants, from as far between as Andhra Pradesh and Uttar Pradesh – worked and lived in fragile, fluid milieus. Many earned income from more than one job, lent capital or hands for a cousin or friend's enterprise, and rented, sewed, sorted, drove, and collated for various piecemeal jobs outsourced from nearby Dharavi. Their sources of income were myriad, and tied up as much in kin relations as one-off opportunities. For example, the men might work one job during the day, but have a side income driving or delivering or brokering in the evening or weekends. Similarly, Labour Camp's women were, besides their many domestic duties – cooking, cleaning, child-rearing, home maintenance – often seen in the outdoors lanes, sewing or cutting threads or checking zippers for clothing exporters based out of Dharavi.

I was struck at how these families spent considerable time, seeking to defray expenses, making use of ration shops. Part of the hundreds of thousands of Public Distribution System outlets in the country, they are often termed PDS or fair price

shops. Many Labour Camp families had one member with a ration card. At various times during the day or evening, household members (generally mothers, the elderly, and children) could be seen queuing for food-grains and petrol goods available to lower-income citizens. A convergence of unforeseen encounters and happenstances brought me to one of these shops, a nondescript outpost with blackened, sooty walls. It belonged to Mr. Jayakar, a member of the Pathare Prabhu caste, a Hindu community with well-established roots in Mumbai.

Mr. Jayakar's shop could be an important component of the neighbourhood economy. Many Labour Camp households used subsidized kerosene as a cooking fuel (before electrification, it was also used to light interiors and lamps). Some of those entitled to a kerosene subsidy (known as *subsidy-wale*), seemed to leverage their allotment. I came to understand that ration-card holders conducted a parallel exchange alongside the one between state patron and citizen supplicant. Some residents I spoke to, sold their allotted kerosene on to neighbours, or bartered the fuel to others for items they lacked.

The shop was also important to Mr. Jayakar. Licenses to distribute subsidized kerosene are scarce and correspondingly valued. His family held three such licenses across central Mumbai, which sustained yet other family members that managed these distribution shops. Let me briefly describe the social life of subsidized kerosene in such a milieu. In its 'neat' or pure form, kerosene is shipped from refineries to state oil depots. At that point a blue dye is added to prevent its diversion and adulteration ('white oil' is the term for kerosene purchased on the open market). From state depots, the fuel is sent by tanker to Labour Camp's ration shops (sometimes these tankers are large motorised trucks; at other times, they are small and pulled by bulls). There, the shop's helpers pour the blue liquid – which has the colour of an enthusiastically named energy drink – into metal barrels. Outside, a queue of hard plastic jugs of various colours snakes along the road. When kerosene is about to be disbursed, people hastily emerge to track the place of their container in the queue; given shortfalls and delays, the atmosphere can be marked by grumbling, crowding, and sharp words. The shop attendants, using metal funnels, pour the liquid into the jugs, sometimes splashing a bit as they grow tired, distracted, or aggravated.

In Labour Camp, it was widely contended that Mr. Jayakar siphoned off and sold some of his publically subsidized kerosene on the black market. I heard regular complaints about the quality, quantity, and unpredictable allotment of goods. Residents felt that the fuel they received was diluted and adulterated; many were rarely given their full allotment. Mr. Jayakar's staff were seen to spin tall tales – refinery

shutdowns, truck mafias, distribution issues, equipment problems – to stall or defer giving their fuel. The shop would sometimes be open one or two days per week; or at odd hours, such as at late night. Many residents thus had to purchase kerosene at market rates, nearly double the cost of subsidized fuel.

When I asked how such seeming corruption could persist despite public knowledge, talk often turned to shadowy nexuses. One Labour Camp resident, Sonu, operated a handcart, and sold fried snacks in the evening. Until recently, he employed a pressurized kerosene lamp because of the uneven and dim street lighting in the area. This kind of ‘Petromax’ lamp is still found in India. Sonu had either purchased the kerosene for the lamp on the black market, or from others who had obtained it from Mr. Jayakar’s establishment. With market rates rising, and subsidized kerosene scarce, he has switched to a battery-operated florescent lamp. But this transition has been done with evident reluctance; whereas the Petromax radiates a warm yellowish glow, the new lamp imparts a harsh white glare. When I asked Sonu about kerosene diversion and the seeming impunity with which it occurred, he replied that ‘the police and shopkeeper work together hand in glove’ (*police aur dhukandar ki mili-bhagat hai*). Indeed, illicit profiteering from kerosene and other subsidized goods is widely narrated as unfolding through official complicity (Gupta 2012: 96).

If Mr. Jayakar was diverting some of his government-allotted kerosene onto the black market, he was hardly an outlier. Kerosene intended for residential use is thought to end up with commercial and transport users. A high percentage is mixed with more expensive automotive fuels, such as diesel and trucking lubricants. Reports suggest that between 30-50% of the kerosene provided to Indian ration shops is diverted in this way, resulting in proceeds, or black money, in the billions of dollars (Shenoy 2010: 6).

Given the popular sentiment surrounding his business, and given the routine corruption which surrounds publicly subsidized kerosene, I will assume in the following that Mr. Jayakar was – to a certain degree – pocketing a certain surplus. If correct, this is a not an atypical example of how black money is generated. Whether it is the everyday, routinized extraction of an unofficial surplus, as with Mr. Jayakar, or the more lucrative billion-dollar ‘scams’ around spectrum licenses and mining allotments, black money is often gleaned via privileged access to public goods.

Let me turn to the link between money, sociality, and morality. When I spoke with Labour Camp’s residents about Mr. Jayakar’s business, I was struck at the pejorative moral language they employed. It became evident that Mr. Jayakar’s money was differentiated and marked with disdain and disapproval. Ravi, a migrant from

Vishakhapatnam, who worked for a company that sold additives for paint and chemicals, described Mr. Jayakar's business as profiteering on the 'black market' (*kala bazaar*). Sushil, a Marathi man whose grandfather had migrated to Mumbai from the Pune area, put Mr. Jayakar's income in the same category as the bribes demanded by police. As opposed to 'work done from blood and sweat' (*khoon-pasaine ki kamai*) Sushil termed Mr. Jayakar's income as 'black earnings' (*kali kamai*).

In Labour Camp, work, income and trades called 'black' (*kalakali*) are morally dubious. As my time in the vicinity grew, I became aware of several illicit trades – in prosaic items such as meat and cement, as well as in drugs. Men who sold stolen electrical cables, for example, were said to be involved in an 'illegal trade' (*kala dhandu*). The blackness of money was symbolically related to its temperature: prostitution or gangsterism invariably involved 'hot money' (*garam paisa*). Finally, the blackness and heat of certain income streams was linked to their secondary status. Money earned legitimately was 'white' (*safed*) and 'number one' (*ek number*). Black money, in contrast, was 'number two' (*do numbri*). Mr. Jayakar's income, in this cosmology of money, was contaminated by the latter. As Prashant, a leather-goods salesman from Meerut, claimed, Mr. Jayakar's wallet was full of 'number 2 money' (*do number ka paisa*).

Labour Camp's residents clearly saw the shop selling subsidized kerosene as a place where monetary exchanges were inseparable from moral ones. Mr. Jayakar's income was grouped, symbolically, alongside disreputable or illicit kinds of income. Can we complicate this binary between upstanding and illegitimate, clean or dirty, and white and black money? True enough, Labour Camp residents heap disdain on Mr. Jayakar's illegitimate proceeds; yet, as we shall see, his income is funnelled through relational domains, temporal horizons, and transactional orders, including via neighbourhood traders, local politicians, relatives, and religious institutions. Coursing through these different collective units, time scales, and zones of reciprocity and belonging, Mr. Jayakar's money becomes fused to the prospective prosperity and thriving of others. Thus, while on the one hand, from the perspective of Labour Camp residents, black money is spectral and immoral, it can also be seen to embody and uphold the social order.

IV. Money, Relations, and Transactional Orders

I came to interview Mr. Jayakar by circuitous means. Balding and compact, he was only a fleeting presence at his shop – like most other people in Mumbai, he was constantly on the move, attending to entrepreneurial and family duties. He was, however, publicly ‘known’ in Labour Camp as he sponsored politicians and festivities. I came to meet him via another Labour Camp trader whose speciality was housing materials. He was a reserved man, with a cautious bearing, and asked me to meet him at another business he had, in Dadar, also in central Mumbai. This was a store selling mobile phones and related accessories.

By this time, I had watched how his ration shop functioned on different occasions. Naturally, I wondered what his men did to the barrels of kerosene stored behind a partition in the shop. I was also curious about the relations between his shop attendants and the kerosene delivery employees, who seemed on intimate terms. But I instead asked Mr. Jayakar about his social networks in Labour Camp.

The housing construction trader in Labour Camp, who had given me Mr. Jayakar’s reference, told me that they both participated in a chit fund. This is a speculative vehicle of informal cash circulation in India, also known as a ‘kitty’ or ‘bisi’ (Schweke n.d.). Social intimates with good trust-bonds put forward an equal amount on a regular basis, usually monthly. The pot of money is pooled and collected by one member during each succeeding round, depending on the format’s gambling, raffle, and auction elements. Over a single year, each party knows that they can expect a one-time windfall. Entrepreneurs may use them for investments or to back another business venture. Mr. Jayakar, when I asked him what traders did with their chit fund proceeds, noted examples of pressing need – a renovation or expansion in one of his shops, for example, or an investment in a venture run by his sons. Sitting in the shop full of mobiles, cases, and accessories, he mentioned that the last time his ‘ticket’ was called in the traders’ chit fund, he had revamped the store’s signage and lighting.

The chit fund’s reliance on interpersonal trust, and its constant circulation of cash, seems to undercut the notion that black money is lying dormant and unproductive. During my time in Mumbai, I heard stories about how, despite the housing crunch in the city, hundreds of thousands of apartments were lying unused. In these urban mythologies, high-rise apartments were the architectural embodiments of black money – an idle resource, unfairly lying beyond reach.

When I spoke with Mr. Jayakar about his business ventures, it was apparent that they were interrelated to kin ties. For example, he told me about property invest-

ments he had made in Nagpur, another city in Maharashtra, with two of his cousins. Like other businessman who dabble in real estate, he bought land in the vicinity of where the city was building a new airport and special economic zone. Here, Mr. Jayakar was betting on his family – in the inter-generational reproduction and wealth of his kin group – and also conducting an instrumental financial transaction.

I was intrigued to learn that Mr. Jayakar's financing extended to the arena of the state and that of political parties. In the last municipal election, in 2012, he had backed the local candidate for the National Congress Party. Local hoardings showed pictures of him, and his fellow Labour Camp traders, wishing the candidate well, a typical feature of Indian election campaigns. Having strong political support is essential for his business, because his license for a public ration shop can always be investigated or revoked. Indeed, Mr. Jayakar's recalled a recent period, which lasted some weeks, when insufficient kerosene supplies were delivered to his shop. Government inspectors were rechecking his shop licence and ordering suppliers to defer delivery. Labour Camp residents might see this absence of kerosene supplies as an outcome of his deliberate diversion for profit. In contrast, he read this disruption as official harassment directed towards extracting bribes from him. State officials were, in this interpretation, using the guise of verifying documents to extort cash.

This account helps us to make sense of a milieu whereby the state, at one level is invested in eliminating the generation of black money, and at another level, creates incentives for its proliferation. High-level committees seek to stem the generation of black money in the marketplace; low-level functionaries create the conditions whereby many have to engage in coercive and asymmetric exchanges for their business survival. As one government report notes, 'enterprises are motivated to generate black income in order to meet certain costs which cannot be shown on the books. Such costs may range from petty bribes to low-level government functionaries to substantial "political contributions"' (Acharya et al. 1985: 11).

This oblique reference to 'political contributions' echoes Mr. Jayakar's engagement with political parties. He spoke euphemistically of his financial backing of the political candidate as 'help' (*madad*). This echoes the wider Indian context, where the quid pro quo of black money in the political arena is formulated as a 'gift' or 'donation' (Kapur and Vaishnav 2011: 7). The transformation of money, from the self-interested, short-term, instrumental realm into other-centred, public, and transcendental usages, is, as Parry and Bloch note, key to the symbolic conversion necessary for money to bridge different transactional orders (1989: 25). The morality of money is thus not absolute but shifts with conditions of generation and circulation.

What we see in Mr. Jayakar's investments and donations is a keen appreciation of the enduring social matrix and political status quo within which his commercial activities are embedded. Rather than seeing his formulation as a cynical rationalization, we might understand it as necessary for relational domains and transactional orders to be sutured together.

Note here the spatial and temporal dynamics of black money: Mr. Jayakar's kerosene business helps to underwrite traders' chit fund circle, family businesses and investments, and neighbourhood politics. Thus his black money is in nested circles of embodied proximity instead of being depersonalized and far away, as is publicly assumed. Black money in this sense is employed within different time-horizons, for immediate favours as well as transactions conducted in the indeterminate future.

There is yet another temporal spectrum that is at work here: that of the religious order. When I queried him about his public activities, Mr. Jayakar mentioned donations to a Pathare Prabhu temple in Dadar. Presumably, the support of a religious institution adds to his public stature and contributes towards his social esteem. Some months later I learned that Mr. Jayakar also donates money each year towards an annual Dahi Handi festival, which celebrates the birth of Krishna. It is not uncommon in South Asia for commercial operators to transact significant sums in the domain of religion. For example, Karachi currency traders who operate in the world of informal finance understand giving to the poor in terms of an ethical mode of generosity and compassion (Baig 2015: 361). Indeed, the nexus of illicit finance and religious patronage finds expression in ethnographies that demonstrate how entrepreneurs, alongside their enterprises, become social patrons. Adjacent to Labour Camp, in Tamil-dominated parts of Dharavi, there is the still-remembered example of Vardhabhai, who from the 1950s ran a criminal organization involved in illicit alcohol production (when prohibition was in force), land acquisition and property development, gambling and prostitution; notably, like many metropolitan 'big men', he was also a community patron, helping residents to access utilities and government services, and sponsoring religious festivals (Weinstein 2014: 48-49). This blurring of criminal, strongman, fixer, and politician is not unusual in contemporary India. Indeed, there seems to be no contradiction between illicit monetary acquisition that reproduced unequal wealth, and the performance of magnanimous gestures towards the community (Hansen 2005).

Parry and Bloch's notion that money mediates between different moral evaluations, relational domains, and transactional orders is echoed elsewhere. Jane Guyer has argued that the distinction between consumption on the one hand, and savings

or investments on the other, obscures how monetary transactions are invariably oriented towards prospective outcomes. The exchange of money is a ‘performative conversion, a devotion of present income to the hope of future gains’ (Guyer 2004: 99). We have seen this in Mr. Jayakar’s income flows: whether investing in property with his kin, or donating money to a temple or festival, he projects his current wealth towards possible results. These outcomes are not simply to do with personal wealth-accumulation, but encompass political patronage, familial well-being, and religious festivity. These manifestations of black money unfold at different temporal scales: from the family-linked investments of Mr. Jayakar’s current life and immediate after-life, to the multi-year cycle of political campaigns, to the religious donations which will presumably linger for many decades.

Important here is the equivocal character that marks the production and circulation of black money. An anthropological comparison with another milieu suffused with ‘adjectivally marked money’ (Maurer 2006) is instructive. Among Luo farmers in Kenya, ‘bitter money’ is primarily generated by selling land or crops such as tobacco or cannabis (Shipton 1989). Because these are linked to community ownership and ancestral spirits, and involve unfairness and injustice, such traffic is seen with moral disapproval. Natural disaster, personal misfortune, and supernatural vengeance are seen to potentially accompany reinvestment in family marriages, lineage property, and livestock purchases that shore up male power. The resolution of this quandary is not possible, because of the irreducible ambivalence that attends the generation of money and its distribution. Notably, bitter money can become good money through purification rituals, as black money might become white. This helps shed light on how black money is enveloped in both vexed disapprobation and routinized complicity.

I have suggested here, via a case study of a ration shop operator in India, that black money serves as a hinge between different relational domains, temporal horizons, and transactional orders. In anthropological terms, black money proliferates – beyond its practical necessity – as a symbolic good that may ensure the continuity of the inter-generational, political, and religious order. Pumped into family reproduction, collecting neighbourhood esteem, cultivating political backing, and supporting the eternal gods, Mr. Jayakar’s seemingly dirty money is in this manner neutralized and cleansed.

V. Conclusion

In this article, I've suggested an answer to the question: what is black money? I've argued that the persistent, nationalist refrain about illegitimate, often offshore wealth in post-colonial India is first and foremost a moral question. What makes this money black is the moral critique of those possessing the capacity to produce it. Those who inveigh against its existence broadcast a socialized anxiety about the ethical conduct and civic selflessness of others.

I've also suggested that beyond its semiotic facets, a study of black money's exchange dimensions allows us to see that as it is generated and circulated, this differentiated form of money retains the potential to simultaneously undermine and underwrite relational domains, temporal horizons, and transactional orders. Mr. Jayakar's case shows that black money, while thought of as immoral, spectral, and extra-territorial, can at the same time be understood as embodied, tangible, and held in close proximity. By funnelling funds to favoured politicians during elections, or participating in a communal chit fund, or buying into a collective land investment, as Mr. Jayakar does, with the proceeds from his kerosene shop, he is, from one perspective, self-interested and law-breaking. Yet the money is being spread along webs of obligation and reciprocity that implicate his family, professional intimates, kinship networks, and political authorities. In this sense, black money serves as a hinge between relational domains, temporal horizons, and transactional orders. While thought of as a selfish scourge, black money may also be seen to guarantee the long-term endurance of the collective order. The irony of this most disreputable form of money may be that its blackness colours the most esteemed and highly reputable.

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