

Related to the question of the absence of private ownership of land is the question of the character of the Asiatic state and the nature of the peasantry or the village commune. The Asiatic state is described as characteristically centralized, despotic and hypertrophied. Marx distinguished between the "Higher Commune," or the state, and the "Lower Commune," by which he referred to the peasantry. The "Higher Commune" was personified by a ruler, such as the Mughal king, in the case of India, or the Sultan, in the case of the Ottoman Empire. The state stands over and above the direct producers. The ruler appears as the sole appropriator of surplus from the direct producers, as he owns and controls all means of production, including land (Marx, 1973).

Before moving to the third basis of the AMP, it is worth mentioning Marx's contention that the Asiatic state is necessarily centralized or despotic. In Pre-Capitalist Economic Formations, Marx ascribes the presence of a despotic and centralized state to geographical and climatic factors, suggesting that the arid lands of Asia could not be brought under cultivation on a large enough scale without artificial irrigation by canals and water-works (Marx in Hobsbawm, (ed.), 1965).

This functional relationship between irrigation and despotism, however, was omitted in another work. In "The British Rule in India" (Marx and Engels, 1972) Marx argues that the development of such a state is imposed from outside for reasons that pertain to the foreigner's need and not to the internal need of the economy. Yet, at different times, Marx relates the despotic character of the Asiatic state to the socio-economic make up of the Asiatic society, namely, to the absence of private property and to the character of the village commune (Chandra, 1981).