

Abstract

The goal of studies on social and cultural changes which emphasize the role of state is to identify patterns of relationship between state and capital accumulation on the one hand and the process of social change on the other.

This study is designed to address the question of how the process of commercialization, coupled with expansion of state's power, benefit the wealthier peasants while most of the poorer group remains in poverty and are exploited to the extent that conflict is inevitable. Standard anthropological field technique was employed to collect qualitative data. This was supplemented by structured interviews. The study draws mainly on general theoretical perspectives explaining peasant social and cultural change, such as modernization and peasant economy models.

The analysis reveals that commercialization and expansion of state's power result in increasing importance of the money among the peasants. They lead to shift in fundamental goal of peasant production from subsistence to the market oriented one. Since money is needed to buy consumer goods from market, thus production is intensified to the extent that natural resources are rapidly

destroyed. The consequence is decreasing self-reliance of the peasants. In the new (market oriented) production the peasant farmers are exploited through various mechanisms of the merchant's profit, interest, rent, tax, etc. The process leads to economic differentiation. The rich peasants are able to accumulate more capital under state's policy which allows only the group of people who support state's ideology to gain access to and control of resources within as well as outside the community. Meanwhile, the poorer class is increasingly exploited, resulting in unfriendly attitudes among traditional leaders and poor villagers toward the wealthy, exploiting class which represents state's power and ideology in the village. Conflict in the community is thus inevitable.