

State Capital Nexus: Implications for Labour

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Workers in Indian Factory. (iStock Photo: track5)

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Editorial

Revisiting the Labour Question: Challenges for Labour

Introduction

In 2014, Amrita Chhachhi led a Forum Debate in the journal, *Development and Change*, where she revisited Marx's formulation of the labour question and in the process sketched the contemporary relevance of the two important propositions that Marx espoused, namely: one, the role of labour in production, regimes of accumulation and social reproduction; and two, its emancipatory potential as a counter capitalist force (ibid: 899). In the same piece, Chhachhi also alluded to the Polanyi-inspired discussions that emphasized and thereby questioned the emancipatory role of labour given the transformations in the nature of work. In addition, the fragmentation and flexibilisation of production systems have not only undermined the basis for workplace bargaining but have also contributed to a kind of competition characterized by relocation of work to low wage sites and a 'race to the bottom' with regard to both wages and working conditions. The Polanyian literature in particular argues that the erstwhile model of industrial citizenship where social rights were attached to specific labour statuses is no longer possible since much of contemporary

labour lacks a clear location in the capitalist production process. And therefore, it is argued, that the resolution to the labour question in the contemporary period lies largely in state-based provision of piece-meal social assistance even as the state is fully complicit in furthering the interests of capital.

Embedded within and between the two opposing positions and approaches to the labour question sketched above by Chhachhi are several issues and themes that have formed the basis for revisiting the labour question in the present volume, methodologically and/or conceptually, from a region-gender-caste-class transformative lens. The papers in this volume have been organised under four heads: the Indian State, capital accumulation and labour; global value chains and labour; social reproduction and its links with capital accumulation focusing on care workers and health workers; and finally, worker's struggle for their rights in the development process. This introduction highlights the nature and range of issues covered by the authors, while flagging questions that organically emanate from these papers that could form the subject matter of further research.

The Indian State, Capital Accumulation and Labour

What is it about the nature of capitalist development in India that has not enabled a structural transformation of the economy and concomitantly of labour? Despite economic growth since 2000, formal employment generation has faltered, and numbers of those informally employed, whether in the formal or informal sector, have risen dramatically, contributing to rising inequality levels. Anthony D'Costa (2016) has characterized the Indian economy as one of 'compressed capitalism' where the process of primitive accumulation is still ongoing even as the country seeks to address global competition through import of labour-saving technology and enclave-based production. Papers under this theme explore the manner in which the Indian State's agenda of economic/industrial 'development' produces varieties of labour regimes through which labour gets incorporated into capitalist production. Such exploration, apart from highlighting the heterogeneity of labour, throws light on the forms of structural linkage between capital and labour. Some of the crucial questions raised include: how far is the Indian State complicit in marginalizing and disempowering labour? Is the persistence of informality due to lack of successful capitalist development or rather an outcome of it? Have the welfare measures put in place by the State to address some of these issues muted collective action while subsidizing capitalist production?

Achin Chakraborty in his paper alludes to "the shifting role of the Indian state from promoting 'responsible trade unionism', (meaning, 'subordination of immediate wage gains and similar considerations to the development of the country') to curtailing workers' rights and privileges on the one hand and extending welfarist entitlements to its citizens on the other. The capitalistic states of 18th century were not burdened with providing welfare benefits for its surplus labour. The post-colonial states have not been able to structurally absorb the surplus labour into productive processes, and due to lack of welfare benefits from the state, they have

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joined the informal sector as workers or self-employed.

Considering that the informal economy is home to 92 percent of the workforce in India, Raina and Das question the characterisation of this sector 'as a problem to be resolved' and of its labour as 'marginal'. Their paper deals extensively with the fallout of such a characterisation that has resulted in the state not only viewing informal labour as unskilled but the informal economy as bereft of knowledge capable of sustaining itself, howsoever meagre. According to these authors, "[T]he painful questions about the nature of the developmental state and its interventions that perpetuate marginalisation of informal work, making invisible the dynamic relationships between labour, capital and knowledge, have to be addressed politically".

Lerche and Shah's paper deconstructs and deepens our understanding of the 'marginal', by demonstrating how "capitalism has expanded through social divisions", globally through race, and, in India through caste, tribe and gender difference. Deploying the term 'conjugated oppression' to explicate the manner in which oppression is experienced, Shah and Lerche demonstrate how migrant labour, Adivasi and Dalit in particular, is used by capital to cheapen production by undercutting local labour power, thwarting any possibility of labour coming together to struggle for its rights. Worse, their migrant status denies them access to most welfare benefits that may be operational where they work. Noting that divisions among workers have had a long history, the authors conclude, "it is still rare to see labour organisations tackling head-on such divisions to ensure proper representation of the most exploited groups within their decision-making structures".

Damodaran takes forward the theme of migration and migrant lives by demonstrating the continuing and significant linkage between the village and the city in the case of rural-urban migration. Her exploration of the lives of industrial workers in the informal economy of Delhi combined with her observations about the industrial units that provide these workers with employment, howsoever precarious, at its very core questions the Indian state's refusal to recognise the tremendous role that such units play in the economy and in the lives of migrant workers. The state's indifference is, discernible in the manner in which industrial

policies meant for the small-scale industry sector are completely out of sync with ground realities.

In sum, in contrast to much contemporary work on labour that is focused more on capturing 'labour status - regular, temporary, self-employed, daily wage, casual, bonded, unfree, etc'; these papers make explicit the nature of linkage of labour with the capitalist system of production. The explicit articulation of this linkage enables comprehension of how far we have drifted from our erstwhile agenda of moving towards labour emancipation through formal legislation and collective action.

Global Value Chains and Labour

The papers on global value chains, carry forward the above discussion of the continuing and widening disjuncture between capital, and the terms and conditions characterizing labour deployment, emphasizing also the fact of the unequal and iniquitous relationship between global and local capital. The proliferating literature on Global Commodity/Value Chains and Global Production Networks has extensively documented how buyers (largely located in the global North) exhort suppliers (largely located in the global South) to adopt 'right policies' to participate and 'move up' the chain. This exhortation to economic upgradation through value-addition is perceived to generate a win-win situation for both labour and capital. But as the papers under this theme have demonstrated, the policy discussion around the GVCs obscures the class relations that underpin the processes, namely, the relations between firms within an industrial cluster, between clusters, between buyers and sellers - and the developmental impacts of these relations.

Vijaybaskar's paper on the labour question in global garment value chains frontally addresses the question of why economic upgradation is not a sufficient condition for enhancing labour welfare. He argues that "the extent of collective bargaining and the nature of regional/national institutions that govern labour rights and entitlements" to a considerable extent shape the way "such gains in value-addition get redistributed to the laboring classes." Vijaybaskar also flags the issue of how the operation of the global garment value chain consequent to changes at the global level not only segments labour at the local level, but also profoundly and adversely impacts the local labour market, as labour of one sector gets pitted against labour of another sector. In other words, the

particular manner in which the manufacturing of production for the global market is organised and the specific way in which international retailing operates, ensures very often that buying countries and consumers, who otherwise cry hoarse about the need to be ethical, somehow absolve themselves of any responsibility for the damage that their demand for quality but cheap products cause to the environment and/or health of workers in the producing countries.

Mark Anner's paper extends the above argument even more starkly. Anner, who has conducted extensive field work in Bangladesh and India, among other garment exporting countries, demonstrates how financial capital pressurises brands to squeeze suppliers, who in turn squeeze workers resulting in a situation where "this 'squeezing down' facilitates a 'sucking up' of value from the most vulnerable workers at the very bottom of global supply chains". In short, according to Anner, "the bottom of supply chains subsidizes the top". Of particular interest to us is the following observation by Anner: "in the case of India, 61% of suppliers said that pressure from buyers was so intense that they were forced to accept orders below costs". The latter translated into payment of below living wages to workers (mostly females), forced but unpaid overtime, apart from verbal abuse of workers for not keeping to time in execution of orders.

Equally important questions addressed by the above two papers on the garment industry include: how do the forms of incorporation into value chains undercut the transformative potential of labour, and also subsidise the main production unit? This, especially since in most nodes of the chain they (the labour) are situated at the lower end of the production process, which are made invisible and kept out of the purview of labour legislation?

While much of garment labour in supplier countries is constituted largely of poorly endowed workers, new forms of work such as the gig economy, as pointed out by Uma Rani in her paper, usually consists of highly educated and technically skilled labour, and resemble that of home-based piece rate work. What is common between the two categories of labour, however, is their invisibilization, while the gig economy workers are algorithmically managed, evaluated and paid on a piece rate basis. For gig workers, this invisibilization of their everyday labour, goes hand-in-hand with valorisation of their 'hard work' as an entrepreneurial class, exhortation to 'enjoy the flexibility and freedom to work',

often exemplified in trendy workplace cultures, such as cafés, co-working spaces or within their homes. This further shifts the discourse around labour by centring it around individualism and denigrating the culture of collective struggle by proclaiming, 'if you work you will succeed'. In such a context, how do we address structural issues that get masked when such exhortations take place?

Moving away from buyer-driven global garment chains and the gig economy to the producer-driven automotive global chain, Saripalle and Subramaniam, discuss the implications for labour consequent to the tectonic shift "from traditional combustion-engine based automobiles to electric vehicles and shared mobility solutions". The authors sketch in detail the nature of structural change that the automotive industry is already witnessing due to this shift with its concomitant impact on traditional suppliers down the line. As the authors say in so many words, the possibility of these suppliers becoming redundant is real unless they are enabled through policy support to make the necessary transition. As for labour, Saripalle and Subramaniam, term it a 'generational shift in employment' where clear and specific policies are required if India and Indian labour is not to be left behind.

Social Reproduction and its links with capital accumulation: Care Workers and Health Workers

Feminists have contributed (disproportionately) more to our understanding of social reproduction through their explorations of paid/unpaid work, and how unpaid work (whether at home, in the farm or in own-account units) subsidizes the household and the economy. Chhachhi in her piece mentioned above raises an interesting question in the context of unpaid care work which is worth exploring in the context of unpaid work in general. She asks: "Does [this] conceptualization of the care economy provide us with a fuller understanding of social reproduction than the 1980s wages for housework debate?" (ibid: 911). To put it differently and in the context of unpaid work in general: disproportionate engagement with unpaid work by one gender has thwarted considerably the 'upward' mobility of this gender in terms of not just income but also in terms of access to higher education, leisure, work outside the home etc.

Since the 1980s debate, more sophisticated means and measures have emerged, which have enhanced our understanding of the

range and depth of the unpaid labour phenomenon. However, the question remains: are we any closer towards any resolution? The disjuncture between labour economists and feminist economists is nowhere starker than on the question of unpaid work, and, on the link of the latter to capitalist development. And yet, even as resolution to the problem of unpaid/underpaid care work remains elusive, a perusal of the papers under this theme will provide readers nuanced details of how Capital gets continuously serviced and subsidised by unpaid/underpaid care work, whether within the household or outside, and whether in the global or local labour market.

Satyaki Roy demonstrates how "the fall in female Labour Force Participation Rate is structural and manifests a crisis arising out of the conflict between regime of accumulation and that of social reproduction". According to him, "[T]he distribution of waged and unwaged work at the level of household is not merely an optimisation problem with given options of income and constraints at the individual level. It is a result of a larger process manifesting a crisis of social reproduction that the current neoliberal regime of capital accumulation inflicts through diminishing employment opportunities on the one hand and privatising social and community provisions on the other". Kodoth's study of migrant domestic workers captures how "India's migration policy is complicit in accumulation strategies of overseas employers, the recruitment industry and other business interests straddling India and the Middle East" apart from documenting how "migration of workers who were also care providers in their families disrupts care arrangements in the global south". Majumdar's paper on surrogacy, situated in the context of the recent legislation banning commercial surrogacy but valorising altruism, brings an altogether different dimension to the discussion on care work, namely, how the labour of (surrogate) women is devalued even as the industry, of which the surrogates are an integral part, flourishes.

In 1989, Marty Chen spoke of the strategic significance of promoting women's work and earnings through a sectoral approach. Chen's rationale for advocating a sectoral approach stemmed from her observation that in many developing countries, a distinction is made between mainstream development programs (directed at generating growth) and anti-poverty programs (directed at protecting the poor). The mainstream development programs are typically developed along sectoral lines.

That is, critical activities of the economy are assigned, with significant budget appropriations, to specialized ministries or departments for support and development. (ibid., p. 1007). Further, Chen attributed a number of positives to the adoption of the sectoral approach. She argued that by working with women in the critical sectors of the economy, the approach serves not only to link women to sector-specific government programs but also, by so doing, to make their work in these sectors 'visible' to national policy makers. By conceptualizing women as an economic category (workers) rather than as social categories (mothers, wives, widows) the approach presents the case for women as economic agents and legitimate clients for the mainstream programs and policies of government... And, perhaps most importantly, by organizing women around common structural problems, the approach promotes empowerment as well as narrow economic goals (ibid., p. 1015).

We have reproduced Chen's arguments to demonstrate how, after almost three decades, women have indeed been inducted into several important development sectors of the economy (such as healthcare and education). They and their work are not just 'visible' but constitute the backbone of some of these sectors. Nevertheless, while this visibility may have improved their condition (material state), it has not necessarily contributed to improving their position in society (in terms of recognition as full workers, access to power and/or induction in large numbers in decision making bodies, such as the parliament or judiciary).

The papers under the theme on healthcare workers bring out the many different ways in which the constitution and functioning of the healthcare sector in India has changed with deleterious consequences for the delivery of healthcare services even as the state and the private players benefit immensely from the growth of the healthcare industry. Bisht and Menon trace the trajectory of the "opening up of public health care to private investment and intervention", which is accompanied by casualisation of paramedical workers, hiring of doctors from the private sector on contract and introduction of public private partnerships for health programmes and institutions. This is despite a secular reduction in financial support to the public health sector. Further, their paper documents the fact that "a vast array of casual, contract, temporary, part time healthcare workers, fill the lowermost ranks of the health services", which are

disproportionately constituted by women. Accredited Social Health Activists (ASHAs) constitute an important segment of these women healthcare workers at the grassroots level. Ramanathan and Chakravarthy's paper "explores the status of ASHA in the health system, and its impact on her, more so, during Covid-19. It also explores the question of whether her engagement has fragmented the health and nutrition services delivery, thus, limiting the workplace bargaining by other women frontline workers". Marwah's ethnographic account interrogates the phenomenon of 'volunteerism' that characterises the work of ASHAs, a volunteerism which is responsible for their liminal status in the healthcare sector. "ASHAs' liminality of status is justified using a gendered discourse of service. ASHAs are often told in meetings that they are the "backbone" of the health department. Not only does this claim not bear out in the practices of the health department, but the 'volunteerism' of the ASHAs makes it difficult for them to claim their rights as workers". Taken together, these three papers represent a 'smart economics' move on the part of the Indian state – a move that makes women work for development rather than development empowering women through creation of formal employment.

Workers' struggle for their rights in the development process

The particular manner in which capitalist development gets organized in an economy has been primarily seen as responsible for its impact on the way labour is recruited and gets its status – permanent, regular, temporary, casual, daily-waged, etc. Labour status has been seen not only to contribute hugely to subsidising capital and the economy but also to impact critically on how much associational power labour can muster to demand its legitimate rights as workers under given law of the land. Sreemoyee Ghosh's paper under this theme calls our attention to an important dimension of labour recruitment, through what she terms as 'political workers', namely, those workers recruited by the ruling party of

the day on terms and conditions decided by the party. "The nexus between the party in power, the entrepreneurs and the local level state sustains an organized structural arrangement, wherein the desperation to get jobs pushes both migrants and the locals to abide by any terms and conditions specified by this network... Ultimately, what actually matters is the accumulation of 'capital', political and economic, by riding piggyback on informally employed labour".

The title of Deepita Chakravarty's paper "Losing strength and/ or relevance? Trade unions and Neoliberalism", and particularly the context in which it is situated, namely West Bengal, says it all, as it traces the trajectory of the decline of trade unions and trade unionism during the rule of the CPM, which decline has continued into the present under the Trinamool Congress regime. What is of significance to this theme is not just the loss that labour has suffered due to the manner in which unions have colluded with the party in power to consolidate their control over labour, but also the enormous damage that the state has suffered in attracting productive industrial investment.

In contrast, K. Kalpana's paper "explores how economically disenfranchised sections of workers have fared with respect to defending their rights and entitlements". Situated in Tamil Nadu, the paper discusses two different occupational groups bound together by their reliance on subcontracted production aimed at cutting costs and absolving themselves of any responsibility towards their workforce. While the paper demonstrates how collective action can enable workers to wrest some concessions, it also emphasizes the difficult road ahead for the informal proletariat "when the state has clearly allied with capital and refuses to disturb or challenge production relations that incorporate labour on distinctly unfavourable terms"

Taken together, these papers demonstrate the structural violence that capitalistic development continues to inflict on labour. At one level, the 'organization of informality' by the capitalist system in collusion with the state, trade unions and political parties has

resulted in most workers (and disproportionately, females) not being recognized as 'workers' and therefore becoming 'legitimately' ineligible for labour rights. At another level, increasingly, capital (venture and finance), is being reorganised and shifting geographically and sectorally at a rapid pace and away from factories. Consequently, in such a context, work is becoming largely virtual or invisible on platforms where workers work for multiple global actors situated in various 'states'. What however remains common to labour at both the levels are the following questions that need urgent resolution: who is the employer? What are the terms and conditions of such employment? What political space do these workers inhabit to enable them to individually, or, collectively seek redressal, if any, for their work-related grievances?

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Padmini Swaminathan, Uma Rani

Labour and Perspectives on the Indian State

■ Achin Chakraborty

Most policy discourse on labour in India centres on the issue of the alleged 'rigidity' of the labour market¹. In an earlier article (Chakraborty, 2015), I advanced the 'futility thesis' to establish that, given the realities of the Indian labour market, it would be wrong to claim that the labour market reforms would help achieve substantial economic gains. If the expectations of gains are not well-founded, one might ask, *why* does the state² do what it does (i.e., dilute labour laws in order to 'flexibilize' the labour market)? The commonplace answer to this political economy question is that, in an increasingly globalised world, nation states are competing to take away the hard-earned gains of the organised working classes and making various attempts to level the organised labour down to the predicament of unorganised workers. There is often a ring of inevitability around this argument favouring levelling down, as if it is driven by forces outside the state's control. With relative immobility of labour, and capital becoming internationally mobile, the bargaining power of labour vis-à-vis capital tends to decline, and the state finds it easier to control it in order to send out the signal of 'investment-friendliness' to capital (Chakraborty, et.al. 2019). And yet, somewhat paradoxically, accompanying this drive to 'flexibilize' organized labour is a stream of enactments to improve the welfare of 'citizens' whether workers or not.

In the present article, setting aside the rigidity issue, I pursue the political economy question a bit more in the broader context of the connection between the political strength of the working classes and welfare orientation of the state. The aim is to sketch out a perspective on the Indian state in the context of two historical policy processes: a) the shifting role of the Indian state from

promoting 'responsible trade unionism' to curtailing workers' rights and privileges, on the one hand; and b) extending welfarist entitlements to its citizens, on the other. Few attempts have so far been made to draw a 'big picture' by combining the declining bargaining power of labour vis-à-vis capital and the welfarist interventions by the Indian state.

Strong Unions and Social Welfare: The Normative Model

A connection could be shown to exist between the strength of the industrial working classes and the rise of the social democratic welfare state regimes in the advanced industrial capitalist countries in the inter-war and post-World War-II period. Typically, centrally coordinated industrial unions would work through a working-class-based political party to exert influence on the democratic political process. The party would come to power through electoral politics and would use the instruments at the government's disposal to implement welfare-oriented policies. Apparently, the Swedish model of social democracy that emerged in the 1930s and which was characterised by high levels of public spending to promote social welfare and full employment, is believed to fit into this narrative (Esping-Anderson, 1990). If the argument is taken to work in the other direction as well, the 'retreat of the state' in those countries in a later period, especially since the 1980s, could also be linked to the weakening of the working classes.

Can a similar connection be made while explaining the changing orientation of the Indian state towards enacting certain welfare rights, especially the ones (such as the Right to Education) introduced in the first decade of this millennium? Sections of the working class in India are indeed formally organized in centrally coordinated unions affiliated to the

major political parties. Also, the organized workers have apparently enjoyed a set of democratic rights through a series of legislations enacted in the immediate post-colonial era, which was not so common in many other countries. However, it is unclear to what extent the working class interests have been represented in the electoral political process in India. Besides, the signs of weakness of organised labour are starkly visible in India for quite some time now. What appears rather striking is that the Indian case points to the possibility in which the welfarist orientation of the state (although in a limited way) can coexist with an emaciated organised working class.

Interestingly, an argument somewhat similar to the one that connected social democracy to the strength of the working classes was heard when a coalition of leftist parties came to power in West Bengal in 1977, even though the leading party in the coalition, i.e. CPI(M), never officially declared itself as a social democratic party. In the beginning of the long rule that ended in 2011, the State government did take a pro-worker stance in its various policy interventions. However, the contradiction between its choice of the Marxist rhetoric and the actual practice of catering to the middle class interests – perhaps due to the dominance of this class in the leadership – eventually led to erosion of support from the growing number of unorganised working poor who felt deprived of the privileges that a section of the workers and the salaried classes enjoyed. The fallout of the contradictions between the transcendental goal of socialism and the immediate goal of holding on to power in a provincial state within a federal republic, which required a kind of class compromise, is a gradual drifting away from a welfare-state orientation in its programmes and policies.

By contrast, in the state of Kerala, a wide spectrum of workers, including those who belong to the informal sector of the labour market, enjoyed better working conditions and social security benefits. Successful implementation of a well-designed social security system presupposes favourable political institutions which are expected to shape mutually reinforcing relations between governments and groups of citizens. These relations can take a variety of forms depending on what sociologists call 'embeddedness' (Heller, 1996). In Kerala, because of the existence of such systems and relations, social security is widely understood as a political right and citizenship claim.

Tradition and politics are less likely to go against an increased demand for social protection. However, in other States it might have degenerated into an instrument for patronage. In the absence of favourable political institutions one can anticipate a setback in implementation of whatever act is passed in this regard.

Social Welfare v/s Trade Unions in India Today

Notwithstanding such variations across the Indian States observed in different periods, developments toward welfare rights and social security in general, and workers' rights in particular, have taken a different trajectory in India from the normative one we have sketched in the context of the Western social democratic regimes. India's major political parties early on did favour the development of politically powerful trade unions to serve as electoral vehicles for them. Elections initially strengthened the national trade union federations that were aligned with the Indian National Congress (INC). The philosophy of the pro-INC trade unions however was ironically 'responsible trade unionism', meaning 'subordination of immediate wage gains and similar considerations to the development of the country' (Mehta, 1957). In other words, the working-class interests were expected to remain subdued under the post-colonial developmental and nation-building aspirations. The structural conditions of a developing country like India are never favorable to its working class. The persistent organized-unorganized duality in which the organized sector manages to accommodate only a small size of the workforce, the existence of a massive reserve army of the unemployed and underemployed, the migratory character of urban-industrial labour – all these contribute to labour's weakness relative to capital. However, the underlying structural conditions for this crippling state of affairs can be mitigated by institutions which govern the labour-capital relation (Chibber, 2005). In the climate of pro-business reform however, such institutions have been repeatedly undermined, the result of which can be seen in the large-scale violence at the Manesar plant of Maruti Suzuki and at Honda Motorcycle and Scooter India several years ago, and similar incidents reported elsewhere. They are indicative of the failure of labour institutions in India in resolving conflicts between the workers and the management and facilitating collective bargaining to reach an amicable settlement.

While the organised workers are losing out on their hard-earned rights and privileges, there has been, rather paradoxically, an ascendance of social welfare rights and expansion of social programmes in the first decade of this millennium. Several acts were passed during this time, ostensibly to allow citizens to make justiciable claims on the behaviour of the state and individuals, as well as on social arrangements in general. The language of rights enshrined in these enactments gives all citizens – not just the workers – the right to make claims on the behaviour of the state and individuals. This appears as a clear shift from the earlier official discourse around 'targets' and 'beneficiaries', a shift from a paternalistic, top-down approach to an apparently more devolved and demand-driven one. Although the normative force of the right-based approach cannot be denied, mere invocation of a moral argument is not enough to guarantee its realisation. The trajectory of events that culminated in such important legislations as the Right to Information Act (RTI), 2005, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005, Right of Children to Free and Compulsory Education Act (RTE), 2009, and the National Food Security Act, 2013, provides an important backdrop against which attempts can be made to understand the complex interplay of the normative and the political (Chakraborty, 2019).

The importance of politics can be seen in the frequent changes in the government's approach to MGNREGA since the change of regime in 2014. After the initial two years of neglect in terms of financial allocation and delayed disbursement of funds to states, MGNREGA was again given its pride of place on its tenth anniversary when the union government declared it as a programme of 'national pride and celebration' and the allocation for 2016–17 was significantly raised. It would be too simplistic, and even incorrect, to say that the UPA government was more serious about implementation of MGNREGA than the NDA-II government, even though one might observe some difference of significance between the two regimes' respective approaches to the programme. In the last two years of UPA-II regime, enthusiasm about direct cash benefit transfer somewhat displaced MGNREGA from its pride of place as the allocation and number of person-days created – both dropped in 2011–12. In 2012–13, they moved up a little bit but remained below the 2010–11 levels. It seems that faced with the dwindling popularity due to alleged inaction and corruption, UPA-II

leaders became unsure about the ability of MGNREGA to generate further political dividend and found the necessary ingredients in the idea of direct cash transfer to tide over the crisis. What the ups and downs in the fate of MGNREGA suggest is that competitive politics of populism on the one hand and the normative approaches built upon ethical concerns on the other may or may not coincide all the time. When they do, programmes and policies are likely to survive change of regimes.

The ascendance of welfare rights in the development discourse in India can be viewed as a 'double movement' à la Karl Polanyi. Polanyi used this concept to analyse the late 19th and early 20th century England where complete proletarianisation of the working class was followed by workers' struggle and unionisation, which in turn led to institutionalisation of social security by an accommodating state (as described with respect to Sweden above). This could also be seen as an attempt by the state to reverse the effects of primitive accumulation to legitimise postcolonial capitalism (Sanyal, 2007). The nature of post-colonial capitalist development is such that primitive accumulation produces a surplus population that cannot be absorbed within the circuit of capital. In the 18th or 19th century capital was not burdened with the responsibility of looking after the redundant population of surplus labour. Many of them would die in wars or famines, some would migrate. But what has profoundly transformed in the intervening period is the political context in which capitalist production takes place in post-colonial countries. The spread of normative notions of democracy and rights of citizens has made it difficult for the postcolonial state to ignore this redundant surplus population who populate the informal sector either as workers or self-employed. The welfarist interventions and other supports like microcredit can all be seen as attempts to create a subsistence economy outside the circuit of capital (Sanyal, 2007).

To conclude, the postcolonial capitalist development process is structurally incapable of absorbing all the labour into what Sanyal calls the 'accumulation economy'. To what extent the surplus labour will be taken care of depends on the nature of politics. The state in India confronts the crucial task of political management of the surplus labour which populates the 'need economy'. The compulsion of political management is what explains the apparent paradox of the process of emaciation of organised labour going side by side with increasing recognition of the

citizenship entitlements invoking the language of rights.

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Endnotes

1. Labour market rigidity refers to the lack of flexibility the management has in restructuring the workforce by laying off workers. The rigidity is sought to be removed by labour market reform through amending labour laws.

2. State with a small 's' here refers to the general concept of the state, which is to be distinguished from 'State', meaning the provincial/sub-national political unit.

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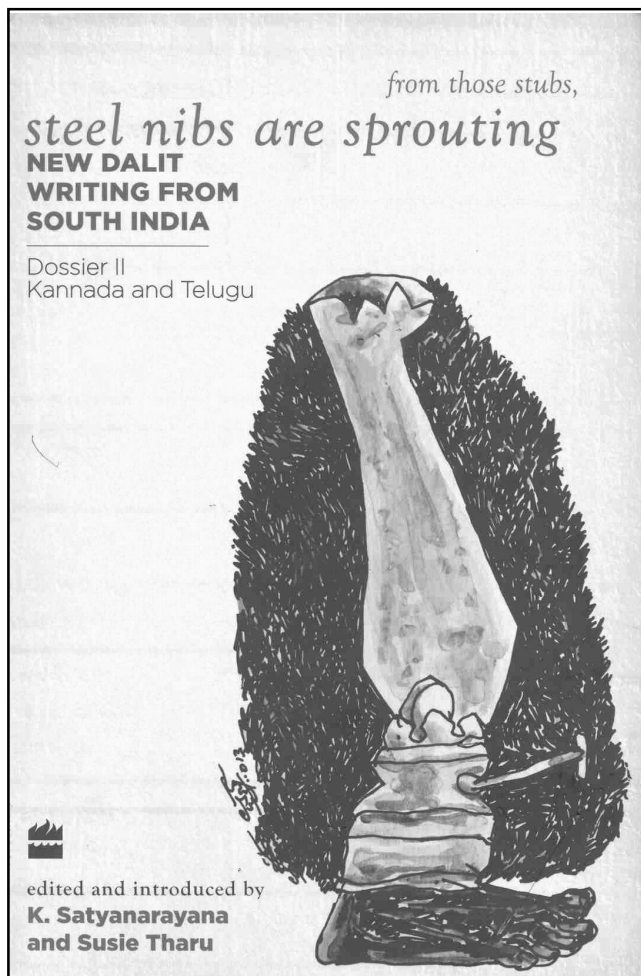
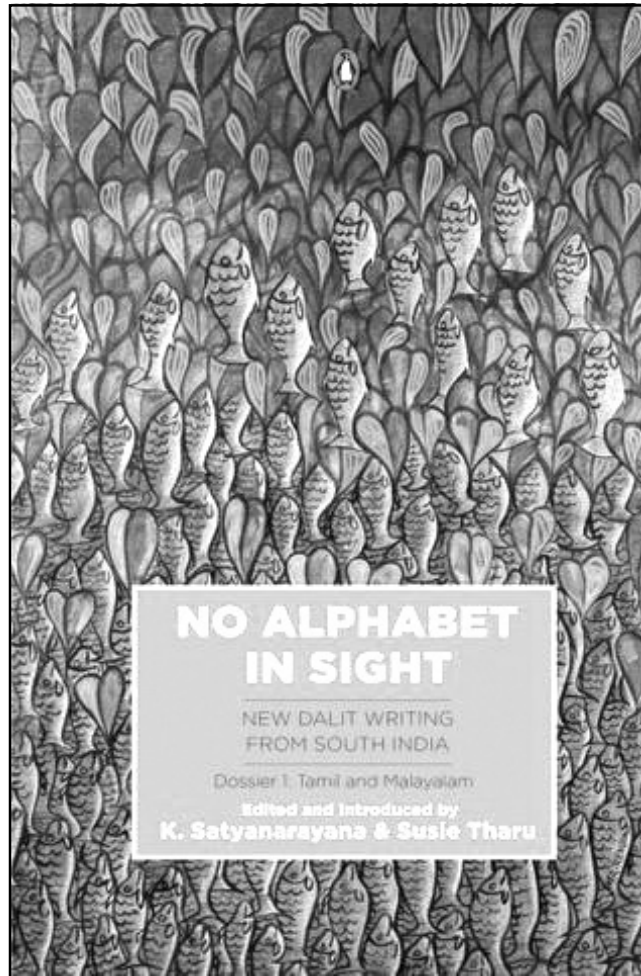
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Whither Rural India?

The Developmental State and Labour at the Margins

■ Rajeswari S. Raina and Keshab Das

The Context

This essay explores the workings of the developmental state in rural India with reference to multiple informal farm and non-farm work by addressing the prevalent relationship between the state and informal labour. There have been concerns about the developmental state, its focus on the formal urban and industrial sectors, the massive support given to the growth of the service sector – information technology, construction and tourism, in particular. The relative incapacity and even unwillingness of the state in understanding and handling informal spaces of work has received much attention: these include - institutional limitations of centralization and consolidation, rigidities and a corrupt bureaucracy (notably absent in the East Asian case, Amsden (2001)) a double capture of regulatory capabilities by the state and of the state by small local capital, and local social institutions of power (as caste, class, gender) (Harriss-White, 2014); and poor or missing data and information systems for rural industrial and agricultural production systems (Das, 2011; Raina 2015). Here we argue that there are much more intricate problems beyond these, which are embedded in a) the persistence of a constricted and commodified theorization of labour in development economics (Robinson, 1962), and b) in the technocentric conceptualization of knowledge as artefact or embodied capital (with implied property rights) in the innovation systems literature (Nelson, 2008). In *centralized* planning systems for

development, this theorisation lends itself to development interventions where labour and knowledge as commodities can be subsidised and supplied by the state to the rural poor – mainly in the informal unorganized sectors.

The informal economy in India includes over 92 per cent of the active workforce and over 54 per cent of the gross value added (KAS and FICCI, 2017). The question about employment and the role of the state in countries with abundant rural labour (CARL) has been posed (Tomich *et al.*, 1995) mainly as a problem that has to be resolved as the economy grows and the national development sequence evolves. Few have questioned the characterisation of unorganized labour as “informal” and marginal, while they constitute the overwhelming majority, are the *tour de force* of millions of predominantly rural livelihoods, have evolved against all odds, and have created thousands of versatile, relevant and resilient production systems and exchanges. A minority of development experts and their lenses seem to define this majority as *informal* and/or *marginal*. This is an aberration at the very least, which has kept the pipedream alive; that through massive state intervention and the incorporation of the informal economy and its workforce into the formal, capital accumulation and economic growth would occur in developing countries as it did in the West. (Nigam 2018).

The State’s Engagement with Labour in India

With an explicit policy emphasis on capital-intensive and modern industrialisation, since

at least the Second Five Year Plan (1956-1961) and the Industrial Policy Resolution of 1956 the rural (artisan and craft based) industries were relegated to a subsistence status. As a result there has neither been an incentive to innovate nor an effort at broad-basing the hereditary skills (or, labour-using technologies). Several of these crafts vanished or were left to languish due to non-existent state support in financing, marketing and provision of ‘real services’. Typified by informality (lacking a legitimate/recognised status) and invisibility (unaccounted-for contributions to the economy and lacking a comprehensive official database) these enterprises had no chance to ensure decent work through reskilling, better remuneration, workplace safety and social security (Das, 2015 and 2017). It has been a formidable challenge as over half of all micro, small and medium enterprises (MSMEs) are located in rural areas and about 95 per cent of these units are unregistered (or, informal) microenterprises.

The Gandhian vision of a self-reliant rural economy carried forward by Reddy’s (1975) relentless arguments for labour-salient technologies for rural industrialisation is based on the premise of an equitable and inclusive socio-economy. There have been innumerable suggestions/recommendations proffered to the state: to develop a nuanced and realistic understanding of the institutions, rules and norms that govern the grey zones of formal-informal exchanges; to enable a reunion between different approaches to innovation; to identify and test codified science and technology (S&T) grounded in local, informal learnings and to ensure broader societal interactions for learning (Raina, 2015). However, with the centralized and technocratic decision makers at the helm of policy, such reconciliation between lives and industrial development remained a fantasy (Das and Raina, 2020: 257). There also exists a major disconnect between the state’s initiatives in generating technology (as, for instance, through the rural technology institutes) and “the actual access and application of the same by rural enterprises” (Das, 2011: 222). Suggesting a flexible and inclusive approach, Kurien (1989) advocated a symbiotic coexistence of multiple levels of technology and skills across spaces that would foster the farm-non-farm linkages and also absorb labour at myriad stages. The institutional apathy to this recognition of *layers* of knowledge extant in the rural

informal spaces has strong implications for the development, even survival of multiple forms of self-reliant livelihoods: with the declining business, drying up of work opportunities or appalling working conditions, the labour is squeezed to the last drop.

Work, Informal Domains and Learning

It is the state's indifference and inability to engage with informal unorganized work that we question here. We begin with a few cases of constant hands-on learning and innovation concealed in the casual nature or everydayness of informal work. Whether silk weaving in the Sualkuchi cluster in Assam (Anurag and Das, 2020) or coir producing households in Manappuram in Kerala (Kamath, 2020), specific types of informal work are interspersed along the production process that make the final product possible. The timeliness of cocoon collection and distribution to yarn makers and weavers, the intense discussions and experimentation among households adopting and perfecting the motorised *ratt* for coir spinning, involve specific workers and their understanding of the material they deal with. In the Banni grasslands in Gujarat, sharing knowledge and work for the *virda* or the water harvesting wells (Agrawal, 2015), ensures drinking water for cattle and human beings even during a prolonged drought. Similar community institutions or norms of collective labour and learning (Raina and Dey, 2020) are evident in Mantrajola (Vijayanagaram) in Andhra Pradesh, where villagers share labour and agronomic knowledge (practices, processual understanding, responsiveness, and anticipation or preparedness) for millet cultivation in mixed cropping systems to build secure bridges between agriculture, the environment and nutrition (WASSAN, 2015). Vast tracts of crop-livestock systems, agro-forestry and livelihoods based on collection/processing of non-timber forest products (NTFPs) are marked by informal and diverse forms of collective labour with norms for coordination and collaboration (for instance, Timbaktu Collective, 2018; Singh *et al.*, 2018). Varied types of labour and learning vested with workers about the spatial and inter- and intra-seasonal diversity and variability in each production system are evident in these cases.

The above insights into labour and learning erase the chasm between textual and practical wisdom. The professional class that works with the state to supply knowledge to the rural workforce may appear irrelevant as

informal workers generate, access and use knowledge - both technological and institutional innovations. When the knowledge vested in a muga cocoon middleman, the silk-rearing household and the yarn-making household is valued, the operational skills of women in coir spinning households to run a motorized *ratt* is respected, the value of work is no longer a fraction of the exchange value realized in the product market. The value of labour, in these cases, is a function of the dynamic relationships between labour, capital and knowledge; collective and experiential knowledge of the environment, product components and processes, and the quality of each of these. Each worker is free to experiment with, learn and add value to this pool of informal knowledge; open-source interactions, exchange of information and validation are taken for granted. Labour in these cases encompasses informed decisions made and a repertoire of actions in short time spans, in diverse and highly variable production contexts. Labour is not a commodity paid for 'pieces made' or hours of work as mere physical toil - full day or half day; it embodies humanness, has a social identity and significance in the production system. It is possible to invoke the derided, oppressed, social (Scheduled Caste/Tribe, Other Backward Caste, and even women) identity of labour within the rural space to justify their moving to urban areas as a preferred workspace of 'castelessness' (a la Deshpande, 2013). However, the dignity of labour whether through anonymity or through enterprise has never been the concern of capital, so long as labour can be controlled and manipulated. The developmental state where the upper caste has heavy stakes, need not concern itself with the paradox of persistent demand for reservation and quotas in urban salaried jobs by the informal lower caste workforce; for the state, the supply of doles or reservations is easier to control labour as "commodity" than to accommodate labour as citizens.

Confronting the State's Embedded Knowledge

Contradicting the perception of informal labour as unskilled, the state should build on existing informal innovation and learning processes (Basole, 2014). Investing in decentralized innovation capacities and strengthening the multiple informal human resources that the rural poor value and use are among the options available to the state (Das

and Raina, 2020). Based on the state's engagement, three categories of learning and innovation are evident in rural India (*ibid*). They are (i) continuous informal learning, open-source knowledge exchange, and validation processes, in low-tech crafts and manufacturing enterprises; (ii) frequent semi-formal interactions of informal workers and producers with organized formal science and technology actors and the state, especially, in micro and small enterprise groups; and (iii) learning by the state and its S&T system through interactions with the civil society and informal workers (*ibid*). The third category is evident in cases like the reform of maternal and child healthcare and the introduction of the Accredited Social Health Activists (ASHA) as workers in the public health system (Das, 2020). This can be interpreted as a case where the incorporation of the informal workforce into the formal or quasi-formal system has been enabled, with some standardisation. But this will not work for the majority of India's workforce, because the first and second categories of learning described above are not acknowledged by the state.

How will the state engage with informal labour marked by variability, local norms, and flexibility, contributing to agriculture, manufacturing and a range of services, like our cocoon collector in Sualkuchi? There is a major stumbling block in the state's engagement with the majority of its workforce, the labour and knowledge vested with these citizens. And this obstacle or inaction draws upon the pillars of development economics, born out of the ex-post theorisation of the experience of intensive growth, technology intensity in production that legitimises formalisation, wage rigidities and consequent long-run unemployment. Unprecedented shifts in labour-capital relationships - accomplished in the developed west/north (and Japan) by moving labour mainly as formal workers (as they did with the Marshall Plan in Europe) - to the centres of capital accumulation have now become central to development economics. This theorisation of the nature of labour and labour-capital relationships is central to planning for development. Much of this theorisation followed the short-term Keynesian accommodation (Bowles and Gintis, 1986; Amalric and Banuri, 1994) in countries where the state planned and invested in industry-led economic growth and development. Shifting of the workforce from the traditional/unorganised/informal rural and agricultural

work to modern/organised/formal industry, and the role of the interventionist state in facilitating capitalist development, have become central to the theorization of economic development (Sen, 1983; Ray, 2014). That Keynes' theory meant for advanced industrial economies with massive unemployment accompanied by under-utilization of existing industrial capacity (Robinson, 1962) found application (the nature of state intervention and planning) in economies marked as CARL, and with limited industrial capacity is the sleight of hand that development thinking played in countries like India. The unquestioning acceptance of the Keynesian accommodation resulted in a rapid demand for education with increased private and public returns to education (Bowles and Gintis, 1986). This expansion of formal employment (though a fraction of the total workforce) with the expanding economic pie and increasing wage rates for those formally employed, made it less important to question the inequalitarian character of the distribution of gains (*ibid*). The rural became a temporary transitional space; knowledge consigned within labour, in informed rural communities, production units and ecological systems, capable of adaptation and evolution to provide livelihoods (though meagre) also lost significance in the eyes of the state. They confront theoretical expectations and planning for foreordained development paths and structural transformation.

Concluding Observations

The paper is an attempt at demonstrating the indifference of the state to informal rural labour and knowledge which create and evolve their own livelihood opportunities. The formal minority needs and lives off the wealth generated by informal workers and their skills (Harriss-White, 2014), backed by the monolithic theoretical backdrop of development, worsening existing inequalities embedded and evolving in the informal and unorganized space (Polanyi, 1944- reprint 2001). The painful questions about the nature of the developmental state and its interventions that perpetuate marginalisation of informal work and make invisible the dynamic relationships between labour, capital and knowledge, have to be addressed politically. The inability of the developmental state in India to engage positively with and the multiple biases against what it perceives as the informal and the marginal stems from a problematic theorization of labour as a mere commodity in

a growth-obsessed and capital-centric macroeconomic paradigm. This needs recognition, debate and answers.

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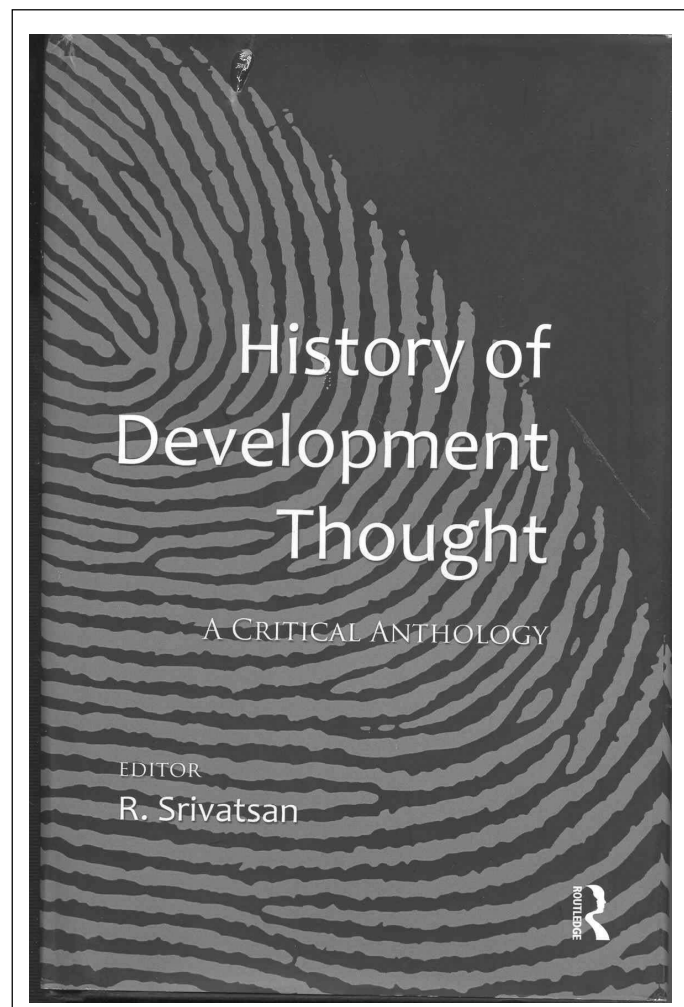
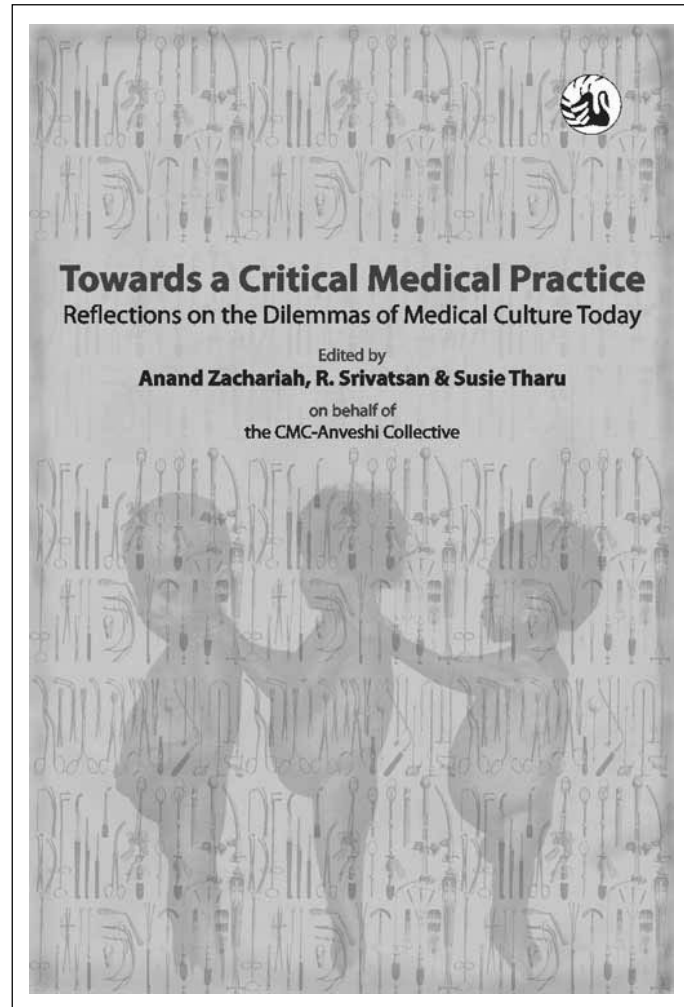
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Capitalism and Conjugated Oppression: Race, Caste, Tribe, Gender and Class in India

■ Jens Lerche and Alpa Shah

The recent global protests for *Black Lives Matter*, have brought attention – for now at least – to racism and oppression of minorities as pressing issues to address everywhere. In this article, we argue that racism and oppression of minorities need to be understood as part of global histories of capitalism to which they are systemically linked; capitalism has expanded through social divisions. Over the last few years, our work has been devoted to showing the processes through which this has taken place in India; how capitalism has entrenched caste, tribe and gender difference (Shah and Lerche 2018; Lerche and Shah 2018; Shah and Lerche 2020).¹ Against the expectations of the modernisation project, neither economic development nor neoliberal reforms have led to the withering away of caste, ethnicity or gender as markers in labour oppression and exploitation. Instead, such ‘difference’ and ‘othering’ have been ‘modernised’ too.

Globally, in the words of Philippe Bourgois, class-based exploitation and ethnic discrimination ‘interact explosively’ and produce ‘an overwhelming experience of oppression that is more than the sum of its parts’. He labelled this ‘conjugated oppression’ (1988, 1989, 1995: 72). Here we explore how social oppression and exploitation along the lines of caste, tribe race, ethnicity, gender and class are indeed inextricably linked, as different sides of the same coin, and how such ‘conjugated’

oppression divides the labouring classes and serves the interests of capitalism; and we sketch the challenges for this to change.

Work and income data across the globe indicate a strong relationship between race, caste, ethnicity, gender etc. and class. In India, it is well documented that social oppression and exploitation are inextricably linked. The ‘general’ [higher] castes, dominate regular jobs, government service and high-end business and capital. Most of them have been able to avoid low-end informal and precarious casual labour jobs employment with no job security, sick cover nor social security. This, though, is how a high proportion of (especially) Dalits and Adivasis scrape a living.² Together with large groups of Muslims and sections of the OBC groups they are hard hit by the ‘graded inequalities’ in India (Thorat and Madheswaran 2018). They are historically disadvantaged and they suffer from discrimination in the labour market and in access to skill (see, for example, Thorat and Newman 2010, Deshpande 2011, Kannan 2018a). No wonder there is a huge pay gap between the general / higher castes and the rest, with Adivasis earning less than half of general castes, and Dalits not much more.³ Concerning gender, patriarchy in India has led to a very low female workforce participation ratio as especially caste women and Muslim women predominantly undertake unpaid social reproduction work within their

households. For women in paid work, the gender pay gap is significant and gender harassment is common.⁴

Elsewhere in the world, in place of caste and tribe it is ‘race’ and ‘ethnicity’ that structure oppression, along with gender, sexuality etc. In the US, labour market statistics show that on average, ‘Hispanic and Latino’ people and ‘Black and African Americans’ have worse jobs than ‘White’ populations, and they are much more likely to be unemployed. Unsurprisingly, they earn significantly less, too.⁵ The same patterns are found in the UK where ‘White British’ people are more likely than ‘Black’ people to be in good jobs. The ‘White British’ group is also less likely to be unemployed and their average disposable income is higher than that of other groups.⁶ The gender pay gap is significant, and women of all ethnic minorities are more likely than White British women not to work.⁷ It is well documented that these inequalities are based both on historical discrimination and related differences in qualifications, and on-going discrimination in access to work and pay (see e.g. Borowczyk-Martins et.al (2017) and Heath and Di Stasio (2019)). There are also major variations between the position of different ethnic minorities, for the same reasons.

These global patterns are no coincidence. Stuart Hall (1986), Anna Tsing (2009) and others have argued that the culturally specific character of the labour force is central to the way capitalism has grown. Race, gender, national status and other forms of difference are essential for the ‘differentiated forms of exploitation’ of capitalism (Hall 1986:24). Capitalism maintains, develops and refines such differences. Etienne Balibar (1991), amongst others, details how racist ideologies developed hand in hand with the genocidal oppression and exploitation of other parts of the world by European powers from the end of the 15th century. Others have shown how gender and social reproduction likewise are central to the processes of oppression and exploitation (e.g., Federici 2004, Farris 2015, Ferguson and McNally 2014). As David Camfield (2016) argues, class relations and relations of race/gender/sexuality are co-constitutive.⁸ Class based exploitation and social oppression along the lines of race/ethnicity/caste/gender/sexuality/place produce ‘extreme relations of oppression, inseparable from each other in capitalist accumulation’ (Lerche and Shah 2018: 5).

These processes are reliant on creating further social divisions between workers. For

example, Etienne Balibar shows how during the 19th century the French bourgeoisie divided the working class by singling out sections of it as ‘dangerous classes’, as an ‘object of fear’ that should not have the same rights as others, and how migrant workers nowadays have been placed in that position too, deprived of political and workplace rights. WEB du Bois (1998 [1935]) documents how, after the US civil war, capital and erstwhile slaveholders succeeded in uniting white workers with them to savagely and bloodily oppress black populations, and David Roediger outlines how, as part of the creation of a racialised workforce in the US in the 19th century, black labour was stigmatised as ‘ignorant’, ‘smelly’ and labelled an ‘inferior race’ (1991: 178).

In India, as we have argued (Shah and Lerche et al. 2018), the continued and changing social relations of oppression of Dalits, Adivasis and other social groups have been an integral part of the expansion of capitalism, through three interrelated processes. First, *inherited inequalities of power* led to their adverse incorporation into capitalism through processes controlled by dominant social groups and the state. Extreme historical disadvantage and powerlessness have for most Dalits and Adivasis translated into lives at the bottom of the social and economic pyramid in the modern economy. Meanwhile, the dominant players most often emerge from landed and higher caste groups who used their historical economic and political leverage in the capitalist economy (Shah and Lerche 2018: 17-19).

Second, Adivasis and Dalits have become the fulcrum of *super-exploited casual migrant labourers* in India (Shah and Lerche 2018: 19-24; 2020). Across the world, immigrant workers undertake the hardest, lowest paid hyper-precarious informalised jobs at the bottom of society, more often than not denied citizen rights and labour rights in the country where they work (see eg Ferguson and McNally 2014). In India, the around 100 million seasonal migrant labourers are predominantly internal migrants from the poorest and most exploited regions. Capital uses them to cheapen production by undercutting local labour power, thereby fragmenting and disciplining the overall labour force. From most Adivasi and Dalit rural households, men and a large proportion of women find themselves doing the worst, hardest and most insecure jobs, while being paid the least. Many poor OBCs and Muslims

also migrate. Adivasis and Dalits dominate in the brick kiln sector where working conditions are extreme, and are overrepresented amongst construction workers, harvest workers, and low-end jobs in manufacturing. Wage theft is common as is exploitation by middlemen. They are super-exploited: employers don’t even pay enough to cover the cost of theirs and their household’s long-time social reproduction and care. They must also rely on the meagre assets and income of family members back in the villages: seasonal labour migration involves the whole household. Akin to international migrants, they are stripped of most citizen rights where they work. They have no access to government services such as PDS, schools or housing, no voting rights, and no labour rights. As Covid19 has shown, they can be kicked out of work and lodgings with impunity and be treated like sub-humans by governments when expedient.

Third, *conjugated oppression* is part and parcel of this. Old practices of stigmatisation of Dalits, Adivasis and other minorities have lessened since Independence, reservations have enabled some to get good jobs, and anti-caste discrimination legislation have had some impact. But oppression and stigmatising have not gone away, they have transformed and been made to work in new ways, enabling the expansion of the exploitative social division of labour and power in the modern economy. Minorities are still discursively constructed as ‘dangerous classes’, stigmatised, and if need be violently oppressed. In central India, Adivasi villages have been burnt to the ground and women routinely raped, while ‘encounter killings’ are spreading to more states. Killings of Adivasis, Dalits and Muslims and pogroms against seasonal migrant workers occur with disturbing regularity. On a day-to-day level, they are compelled to endure caste and ethnically based slur, while sexual harassment and rape against women from these communities continue unabated (Shah and Lerche 2018: 24-29)

This enforcement of conjugated oppression by government, political parties and high caste employers, and also by relatively low caste informal workers across the country, is nothing new. However, in recent years it has taken a turn to the worse, along with the jailing of leading Dalit, Adivasi and human rights activists as ‘anti-nationals’ and ‘urban naxalites’. Such ongoing and extreme ‘othering’ of Dalits, Adivasis and activists enables the treatment of them as second-class

citizens and keeps them at the bottom of the social and economic hierarchies.

Caste, ethnicity, race, and gender relations etc. are of course not the same. But what these social relations have in common is that they all play significant roles in the structuring of oppression and exploitation as capitalism makes use of existing social divisions for its own needs. Despite obvious differences across the world, a common trend is that capitalism has not led to the formation of a homogeneous working class. Instead, it has formed nationalist, racist and misogynistic alliances with the dominant mainly male, labouring groups – be they White English, White American, or OBC and GC Hindus – that these labouring groups enter in order to defend their ‘privileges’ against the ‘dangerous classes’. Such groups of labour are made to believe that it is in their interest to ‘kick downwards’ at the ‘othered’ social groups at the bottom, to defend what little extra they have. Though this stigmatisation between workers has a long history – even Marx warned against it, in relations to divisions in the English working class (Anderson 2010) – it is still rare to see labour organisations tackling head-on such divisions to ensure proper representation of the most oppressed and exploited groups within their decision making structures. The debate, discussion and organisation that has emerged around *Black Lives Matters* is a good moment for labour organisations, movements and activists to confront the oppression of minorities as part of the exploitation of labour.

Appendix: ‘Dangerous Classes’ Now and Then

The term ‘dangerous classes’ (*classes dangereuses*) played a central part in the bourgeois discourse of the labouring classes in mid-19th century France. As we have argued elsewhere, drawing on among others Balibar (1991), the new urban working class, consisting of poor immigrants from the countryside, were routinely discursively constructed as thieves, criminals, beggars, prostitutes, gamblers, vagrants etc., living in their own filth, in ‘breeding grounds’ for ‘evildoers of all sorts’, and as carriers of disease (Shah and Lerche (2018: 15);). They were dangerous as individuals, awakening an epistemological fear within the bourgeoisie, and were seen as an unruly, potentially dangerous mob (See also Chevalier (1981) [1958], Mullaney (1983), Scheu (2011)).

The discourse – as expressed for example by H. A. Frégier in 1840 - squarely blamed the dangerous classes themselves for their poverty and conditions, and argued that the only way out of the squalor was moral self-improvement. This, obviously, served to obscure the link between the emergence of the working class and its conditions, and the development of capitalism, and thus denied legitimacy to a political strategy focusing on upending such processes and relationships (Mullaney 1983).

Marx used the term ‘lumpenproletariat’ to distinguish between the proletariat proper and its politically reactionary fringes – which he characterised in ways so similar to the ‘dangerous classes’ category that in the first English translation of Capital Vol I in 1887 it was the latter term that was used (Merrifield 2019).

As global capitalism developed during the 19th, 20th and 21st centuries, the bourgeois discourse changed. It incorporated into socially accepted society what was now seen as ‘the deserving’ sections of the working classes, who were encouraged to take part in the vilification of the ‘dangerous classes’ at the bottom of the labour hierarchy. As argued in the main text, this divide was structured along lines of racism, casteism, ethnicity, nationality/migration etc.

More recently the ‘dangerous classes’ and the ‘lumpenproletariat’ terms have been revived by writers on the left. They have flipped around their meaning, and now emphasise the potential of such classes to fight against oppression and exploitation and to pose an actual and progressive danger to the existing order. Franz Fanon (1963), the Black Panther Party and Amílcar Cabral argued, to varying degrees, that the racially oppressed lumpenproletariat were playing a politically progressive role (Merrifield 2019, Worsley 1972). As pointed out by Scheu (2011:129) Hardt and Negri’s ‘multitude’ versus ‘empire’ theorisation of modern capitalism takes this a step further as it uses the term ‘dangerous classes’ for what it sees as the very core of the new progressive classes, namely those ‘nomadic’ groups that ‘travel empty handed in conditions of extreme poverty’ (Hardt and Negri 2004, 133). This chimes with the common post-structuralist view that those at ‘the margins’ of capitalist society, instead of the working class, are the real harbingers of change (see, eg, Esteva 1992). Guy Standing, from a different perspective, also argues that potentially the ‘precariat’ may become a new,

actually dangerous, class, although it isn’t there yet (Standing 2015).

What most of these diverse scholars grasped, and what has influenced our use of the term ‘dangerous classes’, is that groups that are ‘othered’, oppressed and exploited along the lines of race, caste etc., can indeed find strength to fight against such oppression; that this is a progressive struggle; and that the overcoming of divisions imposed along lines of race, caste etc. are central for a progressive development today. This means that while for us it is important to maintain that the ‘dangerous classes’ discourse is still used as a means of oppression, those classes it is directed against are indeed also politically dangerous for the powers-that-be.

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Endnotes

1. For the Hindi version of the volume Shah, Lerche et. al (2018), see references.
2. In 2017-18, only 13.8 of the group ‘Others’ (ie higher castes) were Casual Labourers whereas the percentage for Dalits and Adivasis were 41.2% and 31.1%. Among Muslims and OBCs, 26.4% and 22.9% were casual labourers (Government of India 2019: A-401-402, A-440).
3. In 2017-18, the average wage income of Adivasis, Dalits, Muslims, and OBCs were only, respectively, 48%, 57%, 66% and 67% of the average wage income of general caste people (Kannan 2019). Poverty among Adivasis and Dalits were 82% (2009-10), using the World Bank poverty line of (then) \$ 2 a day (Kannan 2018a: 35).
4. The female workforce participation ratio was only 24% in 2017-18. However, the official figures are disputed. Concerning the gender pay gap, the rural and urban casual women workers earned only 68%/60% of their male equivalents (in 2012). (Kannan 2018b: 12). Gender relations among Dalits and especially Adivasis are less hierarchical and women’s work participation ratio higher. On sexual harassment of casual women workers, see for example Parry (2014).
5. In 2018, while 41% of ‘Whites’ worked in ‘management, professional and related’ jobs,

only 31% of ‘Blacks and African American’ and 24% of ‘Hispanic and Latinos’ did so. Registered unemployment among ‘Black and African American’ and ‘American Indian and Alaskan Natives’ were nearly twice as high as among ‘Whites’ (6.5% and 6.6% against 3.5%); for ‘Hispanic and Latinos’ unemployment was 4.7 per cent. The average wages of ‘Black and African Americans’ were only three-quarters of those of ‘Whites’ and even less for the other minorities discussed here (US Bureau of Labor Statistics, 2019).

6. In the UK, the ‘White British’ group is significantly better represented in top managerial positions than the ‘Black’ group (11% against 5%), while the opposite is the case for ‘Elementary’ jobs (10% of Whites against 16% of Blacks) (Gov.UK, n.d.). Disposable income of Bangladeshis is a whopping 44% less than that of ‘White British’ and the disposable income of Pakistanis and Black Africans is not much better (Corlett 2017).

7. The 2019 overall pay gap was 17.3%; among full time employees it was 8.9% (Office of National Statistics, n.d.) Female employment of all ethnic minorities is less than White British. This is especially pronounced for Bangladeshis and Pakistanis (female employment less than half of White British) (Corlett 2017).

8. David McNally (2015) suggests this is in fact inherent in Marx’s thinking as well.

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Migration and Informalisation: Underlying Processes

■ Sumangala Damodaran

From the last week of March 2020, lakhs of migrant workers and their families started long journeys from their places of work, mostly on foot, towards their homes in rural areas hundreds of kilometres away, in response to the 21-day countrywide lockdown that was announced from 24 March. For more than two months after, the stories of deaths by starvation or brutal accidents en route and accounts of how they have been treated at state borders or railway stations kept these largely invisibilised people in the news. Fearing starvation and the inability to provide for themselves or their families for this period, and fearful of contracting the virus and wanting the safety of their villages, their exodus continued, despite the known difficulties of the long journeys. This sparked widespread social outrage at the callousness of governments. Many also couldn't understand why the migrants undertook such 'irrational' journeys in the face of these hazards and despite the promises of governments that they would be taken care of.

The massive loss of employment and livelihoods of vast segments of the population, a visible fallout of the lockdown, brought into focus the phenomenon of informality in labour markets and the fact that it was those who had the insecure and vulnerable jobs or occupations who were making the large journeys homewards. The relationship between migration and informalisation of work, long researched and studied in the social sciences, seems to have been revealed with horrific starkness in the wake of the pandemic and the lockdown in India.

This essay attempts to throw light on how the informalisation of work and employment, a phenomenon that is not only pervasive but also deepening in the Indian economy over the last couple of decades, is aided by the realities of migration and migrant lives. Key to this are the relationship between the village and the city in the case of rural-urban migration or between home and workplace in general. What the response to the pandemic has perhaps highlighted is that despite the diverse conditions in the villages or towns that migrant workers originate from are two common factors: one, the pull of 'home' as the place to go back to in a crisis and two, the intensifying precarity of jobs that these workers do. Both these are realities that characterize the world of work in India, and are linked to *processes of informalisation* and the *nature of rural-urban entanglements*. This essay talks about industrial workers in the city of Delhi, to make the point that migration and the realities of migrant lives facilitate informalisation of labour, and this is intensified by the relationship between the village and the city.

The industrial profile of the city of Delhi is constituted by production largely in industrial areas. These latter are of two kinds: older industrial estates that were established during the early phases of planning the city; and newer industrial estates that reflect the newer, 'cleaner and greener' version of the city and either house the polluting industries that were relocated in the late 1990s and early 2000s, or where new industrial units have come up. Our essay draws upon research mapping

migration, employment and livelihoods in the city of Delhi based on a survey of more than 300 migrant industrial workers in three industrial areas (Wazirpur, Badli and Patparganj) and in-depth interviews with over 100 migrants (industrial and non-industrial) residing in settlements around these industrial areas¹.

The relationship between migration, informalisation and the city-village relationship of the industrial workers are presented under two broad headings: links with the village of origin, and production conditions.

Links with the village of origin

First, industrial workers in a city like Delhi are largely not the poorest of the poor who migrate to the city from situations of desperation in the villages; they often either own land in the village themselves or belonging to land owning families. What this means is that even if the holdings are meagre in size, the fact of being connected to the village through land is an important aspect of their identity and results in a pull towards the village.

Second, the most common reason cited for migration is economic, even for workers who own land in the village. This has been typically noted in most migration literature, more recently in the livelihoods framework, which documents the increasing diversification of rural livelihoods away from agriculture towards more non-farm activities and as a considered strategy on part of households to mitigate the risks posed by agriculture.

Third, industrial workers, even if possessing strong links with their villages, identify strongly with and take pride in industrial work in general and in specific industries they work in. Thus, garment workers, steel utensil workers, plastic workers and various such workers that were interviewed in the studies emphasised time and again that they would be unwilling to move away from whatever they were doing.

Fourth, migrating to the city, because it offers the possibility of industrial work and the possibility of bettering their lives and life prospects of their families, is also continuously evaluated in terms of their prospects in the village on their eventual

return. In this sense, city and village, or workplace and home are continuously juxtaposed in terms of the lifetime prospects of these workers and their families, even as they take immense pride in their identities as industrial workers.

The above four aspects together suggest that migrant industrial workers, who enter and continue for long periods in the industrial labour market, are also strongly connected with their places of origin, with the actual or desired ownership of land in the village being an important pull factor that causes them to have a continuous relationship with the village. The following three narratives obtained from the interviews testify to this:

“... a poor worker’s real wealth is his land. No one can understand the pain of one who does not own his land. This (land) is one of the reasons why people migrate to earn – they migrate to be able to earn so as to cultivate their land, or to increase the size of the landholding in case it is small; or in order to repay debt and get land back from seizure... For now we are able bodied, but once our bodies no longer have strength to work in the factories ... then our it is our land that will keep us alive.” (Pappu Lal, Patparganj industrial area, cited in Damodaran 2016: 178)

“A person who sells the whole of his land, cuts his roots, his belongingness to a particular territory.” (Amir, 31 years, Wazirpur industrial area)

“Whenever I go back to the village, I am treated with great honour ... it is a big thing in the village to be working in Delhi’s factories. If I continued to work in the fields with my education, people would never respect me. Since I work in a factory, and that too, in Delhi, it is a big deal”. (Tejeshwar Sharma, Wazirpur industrial area, cited in Damodaran 2016: 178)

Migrant workers thus move frequently between the city and their villages with no discernible pattern that might enable them to be classified as seasonal or circular migrants, but symbolically significant enough to be a regular feature that identifies them (Damodaran 2016). The aspect of strong relationships with land in the villages of origin, combined with the strong sense of identification with the work that they do in the city, which represents the place of aspirations (brutally betrayed in the harsh light of the Covid-19 crisis) perhaps calls for

greater interrogation of the ideas about industrial work as well as migration that sustains such work across the board. We turn to the nature of industrial work below.

Production conditions

The main industries that have operated in Delhi are readymade garments, paper and paper products, rubber and plastic products, steel product fabrication, engineering goods, electrical machinery, repair services and automotive equipment. Our studies found that irrespective of whether the industrial areas were part of the old or new vision of the city, the latter ostensibly involving both the ‘cleaning and greening’ of the city and the transition from informality to formality in industrial layouts, planning and design, conditions of employment are entirely informal, for the following reasons:

First, the agglomeration of industrial units in formal ‘estates’ or industrial areas, along with informal employment conditions has meant that there is always a pool of jobs available in the specific industry that work is being sought in. Fieldwork shows that workers tend to specialize in terms of sectoral work, that is, a steel rolling worker only looks for work in steel rolling units, and similarly for garments and other industries, even if his/her job is casual, as noted earlier, even if conditions are very difficult and occupational mobility is restricted. The following narrative from a steel rolling (garam rolla) worker demonstrates this.

“The first job I got here was that of a helper. I had contacts in a garam rolla unit. Today I work as a mistry (master worker). It’s been 8 years. You have to learn the work on machines while you are a helper, and the owner soon makes you a mistry.... Yes, I have changed factories. It has been to get a hike in wages” (Ram Singh, 43 years, Wazirpur).

Second, the conditions of work are uniformly informal, quite irrespective of industry or area, with the distinctions between workers being on the basis of whether they are regular or casual workers, whether remuneration is time-rated or piece-rated and whether or not they receive remuneration on the basis of their status in employment. Typically, in large units employing larger numbers of workers, there is a pool of what are referred to as “regular” workers, where the only mark of being regular is that they are in continuous employment

with the same unit for long periods of time. We have found that in such units, about 50 % of the workers employed had been working in the same unit for 10 years or more, in some cases more than 20 years. In most of these cases, the wage paid was the monthly equivalent of an unskilled worker’s wage, ranging from Rs. 200 to 270 per day, without any Provident Fund or ESI benefits that are associated with a minimum wage and also scant adherence to work stipulations.

Thus, regular employment does not denote the existence of a formal employment contract, of clear records of employment by the firm concerned, or of the long-term benefits associated with stable employment. All it ensures is that the employment has been available for long periods of time for this category of “regular” workers. Casual workers, in comparison, form a circulatory pool of workers who move between enterprises, but even in their case, tend to stick to one industry.

Third, the workers fully recognize the violations of employment norms that are committed by employers, but also emphasize that conditions in the city are better than in the villages and importantly, in addition to this, the fact that becoming an industrial worker is a matter of prestige when they go back to the village. Further, as already argued, the links with their villages of origin and to land are important factors that influence strongly both their identities as city dwellers as well as the movement between the village and the city.

The informal conditions of employment in the industrial areas of Delhi are thus embedded in the lives of the workers, but at the same time influenced by the conditions of migration and the pulls from the villages of origin of the workers. It is thus a combination of two features, the need to regularly visit the village and the existence of a pool of jobs, even if informal ones, due to industrial agglomeration, that are taken advantage of by employers to reproduce conditions of informality that keep labour costs low.

Thus, to summarize: a) migration into industrial work (at least in the Delhi industrial estates I have studied), it appears, does not happen from the poorest segments of rural society, but from contexts of some landholding which has a very high symbolic value; b) The need to visit the village

regularly, whether to cultivate land themselves, or to facilitate an increase in landholding through remittances, or to claim back seized land, becomes possible because of the nature of informal work in the estates; c)irrespective of the imperatives of industrial relocation and the creation of “cleaner” industrial estates, thus, the conditions for a classic “low road” to industrial development are facilitated by the phenomenon of migration.²

Postscript: COVID 19 Blues

Given the realities of industrial production and migration described above, the conduct of the government in the context of the Covid-19 crisis, both with regard to migration as well as to small scale industrial production, is shocking. First, the non-recognition of migrant workers’ actual conditions of existence and callous treatment meted them as they trudged back home, combined with the introduction of draconian labour law reforms in several states reflects the idea that governments see the protection for workers and migrants as a burden. Second, as far as industrial production itself is concerned, the complete relaxation of regulatory and tax commitments for the largest proportion of industrial units in the country through changes in the definition of ‘small’ and ‘medium’ units will spell doom

for the already floundering small scale sector. As the continuing impact of the present crisis we will perhaps witness the collapse of hope from industrial livelihoods, both for small scale producers who are faced with failure and for migrant and other marginalized workers who are now fearful of returning to workplaces which largely exist in the small scale sector.


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Endnotes

1. The research was done with funding for two projects, the first by the ICSSR (2012-14) and the second by Tata Trusts, under the the Shramic initiative (2015). Some part of the research has been already been published (S Damodaran.2016. The Shape/ing of Industrial Landscapes: Life, Work and Occupations in and Around Industrial Areas in Delhi in Chakravarty, S and R.Negi (eds) Space, Planning and Everyday Contestations in Delhi, Springer) and some more is under publication. The information presented in this essay is only pointing to broad findings from the projects, not the specific details.

2. The “low road” to industrial development is characterized by growth dependent on lowered

costs (due to low wages) and low value addition in the production processes involved. This is opposed to the “high road” which depends on high value addition, competitive growth and dependence on high technology as instruments of success.



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**Broadsheet on
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Nizam's Rule and Muslims
Truth and Fairy Tales about Hyderabad's Liberation

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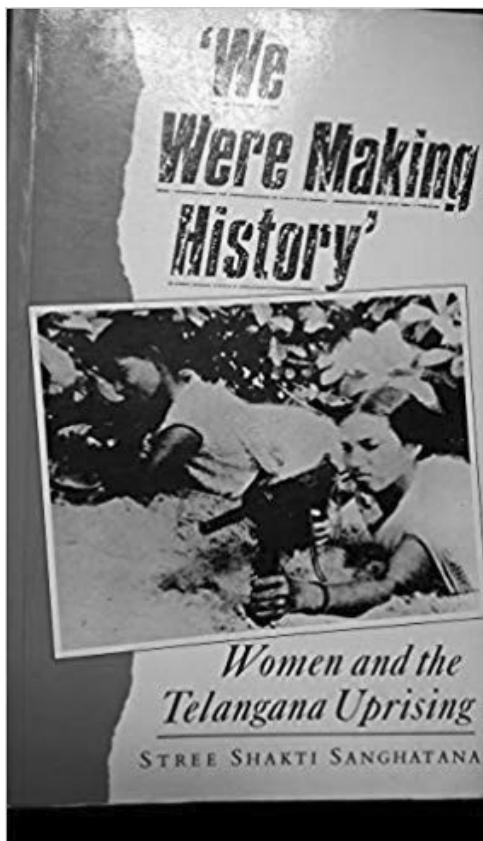
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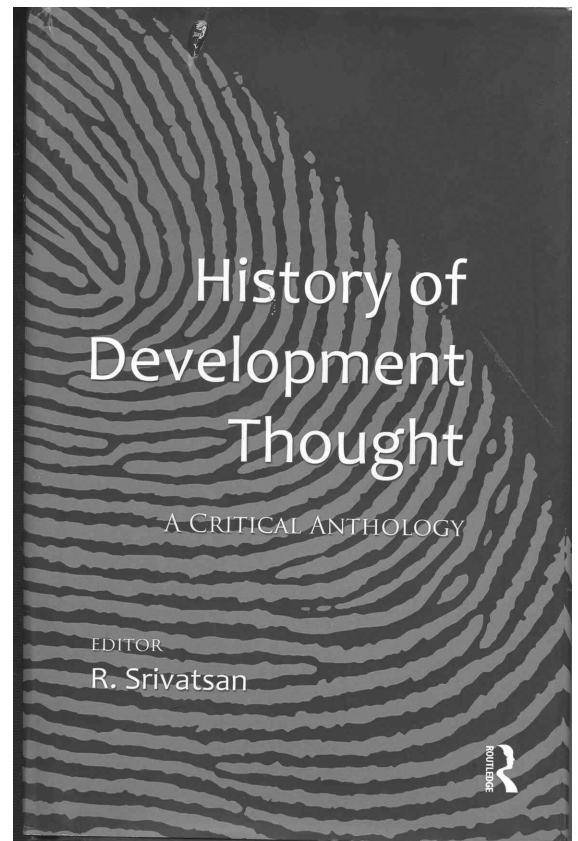




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The Labour Question In and Around Global Value Chains

■ M Vijayabaskar

Commodity production and exchange of commodities are increasingly transcending national borders and giving rise to new forms of organisation. Global value chains (also known as global commodity chains or global production networks, but with minor differences) have therefore emerged as a useful conceptual lens to understand the implications of such shifts in production regimes for the global South.

What are Global Value/Commodity Chains?

A commodity or value chain, as defined by Hopkins and Wallerstein (1986, 159), refers to “a network of labour and production processes whose end result is a finished commodity.” To construct a commodity chain, first, the various production processes required for the final product needs to be delineated. Each of these processes constitutes a ‘node’ in the chain. The following dimensions of each node are important to understand one, how such chains are organised and two, what the implications for different actors within a node or in the entire value chain are.

- a) the geographic loci of the node
- b) commodity flows to and from the node, and those operations that occur immediately prior to and after it
- c) relations of production within the node
- d) dominant organisation of production, including technology and scale of the production unit (Hopkins and Wallerstein 1986).

Increasingly, such networks (but with minor differences) transcend several national

boundaries. A good example is the iPhone. Though China is seen as the main producer, a network of raw material suppliers, component producers and designers that cuts across several countries across the globe contribute to the final value of the iPhone.

Primary Drivers shaping the Geography of GVCs

There are three factors that make such networks important to our understanding of the contemporary political economy of labour.

1. To begin with, dominant producers and traders in high income countries are able to disperse many segments of production and services to different locations across the globe. In this, they are aided considerably by developments in transport, information and communication technologies in different regions and take advantage of prevailing lower costs. Low costs, especially in the global south, are often an outcome of a combination of lower labour costs, poor environmental regulation and accounting of regulation of environmental costs incurred due to use of polluting technologies, and opportunities to extract raw materials cheaply.
2. Another factor is the re-orientation of economic policies since the 1980s, particularly in the low income economies that has been popularly described as LPG (Liberalisation, Privatisation and Globalisation) measures. Based on a belief that autarchic policies distort efficient resource allocation and impede development, most nation states in the global south have sought an integration of their factor and commodity markets with global markets; and to drive this process of growth

by incentivising private capital. In India, a typical example of this approach can be found in chapter 1 of the recent Economic Survey (Government of India 2020). Often infrastructure is created and tax incentives are provided to enable regions to become nodes within GCCs. Policies to promote SEZs in India illustrate this shift. It is also worth remembering that in recent years, sub-sectors within services too are being enmeshed within such transnational value networks. In India, software services and business process outsourcing are typical examples.

3. Given the sectoral specificity of each value chain and the multiple relationships that exist across different nodes of a single value chain, there are considerable regional differences within each country in the nature and extent of integration. Though policies are often framed at the national level, only some regions are able to plug themselves into these chains. Further, there may also be differences in the extent of value generated across different nodes.

What can be wrong with such a strategy?

Given similar resource endowments, countries in the global South often compete with each other to attract segments of global value chains where they have a cost advantage. When countries in the global South seek to insert themselves into global value chains, they, by and large, leverage their lower labour costs, raw material base or poor environmental regulation. But herein lies the problem. When a firm or a node in a global value chain gets engaged in activities with low entry barriers such as labour-intensive, low skilled activities, it often faces competition from similar low wage locations in other parts of the global South. Such competition soon translates into lower prices, and hence to a ‘race to the bottom’, termed as ‘immiserising growth’ in economics literature. In other words, though such nodes may be expanding their economic activity, they tend to yield lower returns over time because of competition from similar lower cost nodes. Nodes in the global south tend to generate much less values than those in advanced capitalist economies.

Economic Upgrading- A Way Out?

So a growth strategy in a phase of globalised production for such nodes will be to move into segments of the value chain that help them realise more values within these nodes.

Policies therefore privilege the need for 'economic' upgrading. Such 'upgrading' refers to the ability of firms or nodes to either enhance the extent of value-addition or move into segments of the value chain where rents are higher, and into activities that rely on skill or knowledge intensity. Developing own brands, for example, offer such possibilities for firms, located in global garment value chains. Firms can upgrade their production process, whereby they improve the efficiency with which they transform inputs to outputs. Using advanced processing machines for dyeing and printing are typical examples. Or else, they may increase unit value addition by improving the quality of the product. Use of better quality of fabric, use of organic cotton, finishing, etc. is an example for this. Firms or nodes may also extend their range of activities to include more value generating activities like design or marketing. Or they can diversify into related activities like manufacturing machinery for processing and garment making. Existing literature, in addressing the way power is dispersed along the value chain, points to the constraints and opportunities available for nodes in the global south to undertake such upgrading.

A major constraint is the nature of power wielded by dominant firms (called lead firms) on the rest of the nodes within a value chain. Based on the nature of barriers that they can create for firms in the global South, scholars identify two kinds of lead firms. The first type are manufacturing Transnational Corporations (TNCs) that source their components and labour intensive processes of their production from low income and less industrialised economies to orchestrate what are known as as Producer driven Commodity Chains (PCCs). The sectors in which this occurs tend to be technology and skill intensive and have economies of scale (such as automobiles, computers, aircraft, electrical machinery, etc). The second category is known as Buyer Driven Commodity Chains (BCCs), which are controlled by big merchandisers, retailers, and trading companies. These value chains are formed when producers in low income economies produce finished goods and not components. The buyers then erect barriers to their economic upgrade in the domain of design, research and/or marketing. The lead firms may not own production facilities at all. H&M, one of the leading apparel brands in the world, for example, owns no factories but sources from independent supplier factories across the world. In PCCs, firms exercise

control through command over raw material and component suppliers, as well as forward linkages into retailing. BCCs on the other hand, being design and marketing intensive, create high barriers to entry through design, branding and consumer research.

Irrespective of the nature of barriers created, there is an implicit assumption that increase in value generated in a specific node through 'upgrading' will translate into better wages for workers through a process of trickle down. But there is considerable literature to show that the process of 'trickle down' does not necessarily follow from the process of economic upgrading.

Why economic upgrading may not translate into better conditions for Labour

The quality of work and employment in the low income/regions is influenced by the kind of roles that they play in the global division of labour. Other than labour costs, growing competition for global markets has meant greater pressures of time-economies and quality standards. Together, they result in pressure to lower wage costs by informalising or outsourcing the costs of social reproduction. It is done through the processes such as reliance on home based production, use of family labour and social networks for provision of social security. Even when firms move into more value-adding activities and get better returns for labour employed, they may not be interested to transfer a share of the additional value generated to labour. Micro-level evidence indicates poor outcomes for labour despite economic upgrading. In the Indian coir industry for example, the coir industry in Pollachi region of Tamil Nadu that upgraded into relatively high value production continued with lower wages and poor working conditions compared to the coir producers in Kerala, which did not undergo economic upgrade. (Ramohan and Sundaesan 2003). The decreasing share of labour in global value-addition over the last few decades shows that this is the dominant macro trend as well (ILO and OECD 2015). In other words, moving up the value chain is not sufficient to address the labour question. This is despite the fact that in some buyer driven value chains like garments, total labour costs tend to be only 6 to 7% of the final price paid by consumers. It is the extent of collective bargaining and the nature of regional/national institutions that govern labour rights

and entitlements and shape the extent to which gains in value-addition get redistributed to the laboring classes.

The agency of labour is in fact quite explicit in the original conceptualization of the 'global value chain' by world systems theorists like Wallerstein. By emphasizing 'labour processes', this framework directs our attention simultaneously to inter-firm relations across different nodes within each value chain and to relations of production within each node. As such, the mode of sharing value between workers and entrepreneurs within a node is linked to how value generated within the entire value chain is shared across different nodes within that value chain. However, subsequent uses of this term in academia have moved away from this understanding and tended to focus almost exclusively on the relations across nodes and distribution of value across nodes. They do not ask: What do inter-nodal relations within a value chain mean for labour? And how do capital-labour relations within a node shape inter-nodal relations?

Second, a firm's movement into value-added activities such as improving quality does not necessarily imply that all workers employed in such activities contribute equally to such value addition. Segments of labour capable of being employed in skill intensive segments are likely to gain more. For example, in the case of the garment value chain, if a firm upgrades into designing, it is likely to employ skilled designers at higher wages than pay the existing tailors more! This would lead to segmentation within labour markets. The growing inequality within labour markets, marked by an increasing difference between incomes of highly skilled labour and those at the bottom is suggestive of this tendency.

New Possibilities for Labour Agency?

There are also arguments which suggest that entry into value chains offer potential for enhanced agency for labour on the following grounds. Integration of labour markets across national borders would mean that wage rates are not guided by local conditions but by international standards. Workers could appeal to global standards to improve the terms in which they are employed. Importantly, the fact that workers across different nodes produce for a single dominant firm offers the possibility of labour to mobilise across nodes to demand a greater share of the value generated in the value chain. It is possible for

example, that workers in all factories producing for leading garment firms like H&M or Zara to form alliances to claim better working conditions. There are in fact instances of transnational civil society organisations collaborating with trade unions and other labour organisations within specific nodes to form alliances of workers across different nodes within a sector. The Asia Floor Wage Campaign in the context of the garment industry formed to prevent Asian producers from competing with one another on the basis of lowering wage costs is an example of such a possibility. However, there is little evidence of workers taking advantage of such possibilities. The outcome of such concrete efforts to mobilise across borders is also uncertain.

Can the Labour question be Dis-engaged from the Question of Environmental Justice?

We had earlier indicated that, apart from lower labour costs, ability to access cheap raw materials and lower costs of pollution due to poor environmental standards are also important drivers of the geography of global value chains. Excessive water pollution in nodes in Tamilnadu such as Tiruppur caused by dyeing for garment production are well known. Access to raw materials including water implies an extractivist logic premised on a process of commodification of nature, that Polyanian scholars have drawn attention to. Such commodification of nature combined with poor environmental regulation has led to undermining of livelihoods in the region outside the domain of the value chain. Farmers living close to several such nodes have complained and protested against loss of their livelihoods.

While labour struggles within a value chain for better conditions of work and employment may contribute to better redistribution of value within a node, ecological implications of value chain geographies require us to simultaneously forge workers' alliances across sectors, but within regions. In this context, mobilizations based on regional identities may also work. Nevertheless, the question as to whether mobilisations for ecological or labour justice within a node actually translate into gains along these dimensions or merely lead to a shift in geography of the chain depends also on how dominant actors in other segments of the value chain respond to such

demands. More often than not, it has led to shift in geographies. Because of the ban on dyeing or tanning in a specific location, buyers often move to sourcing such activities from locations where there is less resistance or poorer environmental regulation institutions. In turn, this possibility points to the need for labour to act at multiple scales - both within and outside the value-chain, and across nodes within a value chain. At present however, while capital is able to incorporate new nodes to maximize accumulation, labour's agency to forge new scales of mobilization is limited.

The category 'global value or commodity chains' assumes relevance only in the context of globalised production networks. However, clusters or nodes or firms need not cater only to global markets. They can be based on production for the domestic market as well, as in the case of India, where the domestic market is substantial. The implications for labour within such domestic value chains are unlikely to be too different except that the possibility of forging transnational alliances is less likely.

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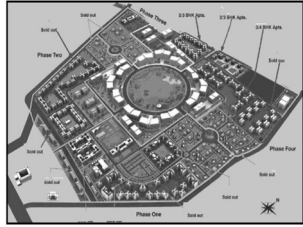


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Worker Control and Capital Accumulation in Global Supply Chains: Squeezing Down and Sucking Up

■ Mark Anner

Garment global supply chains are characterized by profound power imbalances through which financial capital pressures brands to squeeze suppliers and suppliers to squeeze workers (Anner 2019, 2020b; Gereffi et al. 1994; Selwyn 2017; Smith et al. 2018). This article explores how this 'squeezing down' facilitates a 'sucking up' of value from the most vulnerable workers at the very bottom of global supply chains to buyers and financial interests at the top. The squeeze on workers includes not only the underpaid workers at the bottom of supply chains but also the undervalued informal sector workers in the marketplaces where garment workers buy their food. All these workers are predominantly young, vulnerable female workers (Barrientos et al. 2003; Benería and Roldán 1987; Mezzadri 2017). This dynamic also includes the external migrant workers who send remittances to garment workers to assist them in meeting their monthly expenses.

Wealth and power at the top of global supply chains

The financial sector – whether it is via shareholders, private equity firms, or other financial instruments – wields enormous power and influence over global supply chains (Weil 2014). And it is the main source of the enormous wealth of business owners associated with the global apparel industry.

Amancio Ortega, founder of the clothing retailer Zara, has an estimated net worth of USD 63.8 billion, which is almost double the total annual value of the second largest garment exporter in the world, Bangladesh.

At the same time that the financial sector has gained prominence, we are in the midst of a development paradox. For decades, development agencies, inspired by modernization theory (Rostow 1971) and the success of the so-called 'Asian Tigers' (Haggard 1990), encouraged country after country to promote apparel exports as the first step towards manufacturing growth. However, as countries dedicated to apparel exports went from four in the 1950s to several dozen in the late 1990s and early 2000s, rather than development, the model generated a crisis of overcapacity.

These two trends – financialization and overcapacity – pushed the garment sector in a new direction. Investors wanted returns on investment through growing profits, and overcapacity meant the industry needed to get consumers to buy a lot more garments. The result has been a growing shift from a model based on modest profit margins with relatively modest order volume to a model based on low profit margins with a very high order volume.

Walmart specialized in this model as a mass merchandiser. It realized decades ago that it

could make more money with lower margins as long as it sold enough product. From 2015 to 2019, its net profit margin was 2.85 percent. Yet, by generating USD 2.5 trillion in total revenue during this five-year period, it was able to accumulate USD 59.8 billion in net profits. This total income, not the rate of return, drove up stock prices and explains how the Walton family became one of the wealthiest families in the world with a combined net worth of USD 163 billion. Walmart was also able to squeeze third party vendors, who were forced into the logic of the model. However, not only did these vendors have to sell large volumes at low prices, but they also had to pay fees to Walmart, and, if sales lagged, they had to lower their prices (and thus their margins) even further. In the 1980s and 1990s, this pushed many third-party vendors to shut down production operations in the US and outsource production to low wage countries such as Bangladesh.

The fast fashion trend is another version of the mass merchandiser model of low margins and high volume. Here high volume in the fast fashion sector is achieved by constantly changing fashion trends in order to encourage consumers to buy a lot more items of clothing per year. H&M has been most identified with this model. From 2015 to 2019, it had an average annual profit margin of 8.01 percent, yet it generated USD 1.02 trillion in total revenue. This meant USD 82 billion in net profits. In the process, Stefan Persson, the chairman and main shareholder of H&M, accumulated a net worth of USD 19 billion.

This business model of low profits and high volume has been taken to a new extreme by Amazon, whose CEO, Jeff Bezos, has become the richest man in the world. He did so by leading a company with an average five-year profit margin of a scant 2.87 percent. Here again, high order volume has contributed to significant net profits: USD 27.7 billion from 2015 to 2019. Bezos is also pursuing a long-term strategy through predatory pricing, and investors are rewarding him accordingly. By pushing down prices on some products at or below costs, Amazon seeks to push competitors out of business, starting with the weakest first. When seeking to dominate online book sales, Amazon referred to this strategy as the 'gazelle project' in reference to a cheetah that pursues and kills the weakest gazelles (competitors) one by one (Stone 2013).

Like Walmart's mass merchandising brick-and-mortar store model, third party vendors

on Amazon's platform are required to pay fees in order to sell their products. The platform then offers vendors access to millions of consumers and thus a chance to share in the low margin/high volume business model. But it also puts vendors into a very open bidding system with other vendors, thus forcing down prices as well as their margins. Vendors are also increasingly competing with Amazon's own clothing brands. And Amazon also has skilfully used its platform to gather data on all its vendors' sales and then use that data to better forecast which products to make and thus how to out compete its competitors.

The only opportunity for vendors to stay in business is to keep costs as low as possible, which drives vendors to low-wage countries where they pressure suppliers to reduce production costs. This squeeze on suppliers quickly turns into a squeeze on workers. This is possible because the tremendous consolidation of these three models of lead firms – mass merchandising, fast fashion, and online platforms – creates enormous supply chain bottle-necks (supply chain oligopsony).

Squeezing Workers and Sucking up Value

Factory workers at the bottom of global supply chains have been squeezed in multiple ways, from chronically low wages, to long hours of work and inhumane production targets. Research has shown that wages in major garment exporting countries do not cover even 50 percent of basic living needs, with wages in some countries only covering 14 percent of expenses (WRC 2013). The squeeze on wages disproportionately affects women (Barrientos, Dolan, and Tallotire 2003; Mezzadri 2017). Wages are kept artificially low through several mechanisms, including adverse local labour market conditions, but also through the systematic violation of workers' rights to organize (Anner 2020b). Suppliers also turn to multiple forms of precarious labour, including piece rate work, contingent labour, and homeworkers to keep labour costs low (Anner 2020b; Mezzadri 2017; WIEGO 2016).

But squeeze down does not end with factory workers or even garment homeworkers. Informal workers in street markets also help to subsidise those at the top of supply chains. This is because underpaid supply chain workers do not buy their goods in supermarkets. They shop in the informal sector where the low income of market vendors reduces the cost of food and other

basic goods. That is, underpaid informal sector work artificially deflates the costs of living. This permits suppliers to pay workers lower salaries, buyers to pay suppliers less, and investors to enjoy better returns. The bottom of supply chains subsidizes the top.

Completing this picture is the role of remittances. In 2018, migrant workers sent USD 482 billion home to low and middle-income countries. In Bangladesh in 2019, while four million garment workers received less than USD 5 billion in annual wages, the country received more than USD 18 billion in worker remittances. One third of Bangladesh garment workers – over one million workers – receive remittances¹ that allow them to survive despite their low wages. In Mexico, firms deliberately seek out communities with high levels of remittances in order to more easily pay less than a living wage (Collins 2006). This is thus another mechanism by which suppliers are able to keep wages artificially low and buyers are able to pay production prices that do not allow for living wages. Thus, migrant workers through their remittances (just like informal sector vendors) are partially subsidising the firms and investors that sit at the top of global supply chains.

All these trends have been made possible by decisions by governments and inter-state institutions. In the US, the government of

Ronald Reagan dramatically lowered the capital gains tax (Foroohar 2017), and it relaxed the interpretation of anti-trust legislation (Dayen 2020), decisions which facilitated financialization and corporate consolidation. In the years that followed, governments throughout the world pursued market-oriented neoliberal reforms. The WTO liberalized trade and accepted China and Vietnam as member countries (Gereffi and Frederick 2010); and the IMF pushed conditionality clauses on loans that encouraged labour market flexibility which weakened workers' ability to fight back against being squeezed (Bakvis 2006). These dynamics of squeezing down on workers and the sucking up of capital are depicted in the figure below. [See Figure 1.]

As depicted in the figure, there are multiple 'squeezes' in this model: the finance squeeze on retailers and brands; the retailer and brand (buyer) squeeze on suppliers, and the supplier squeeze on workers. I've documented the buyer squeeze on suppliers and the supplier squeeze on workers through original surveys of suppliers and workers in Bangladesh and India (Anner 2019, 2020b). For example, in the case of India, 61% of suppliers said that pressure from buyers was so intense that they were forced to accept orders below costs. [See Figure 2.]

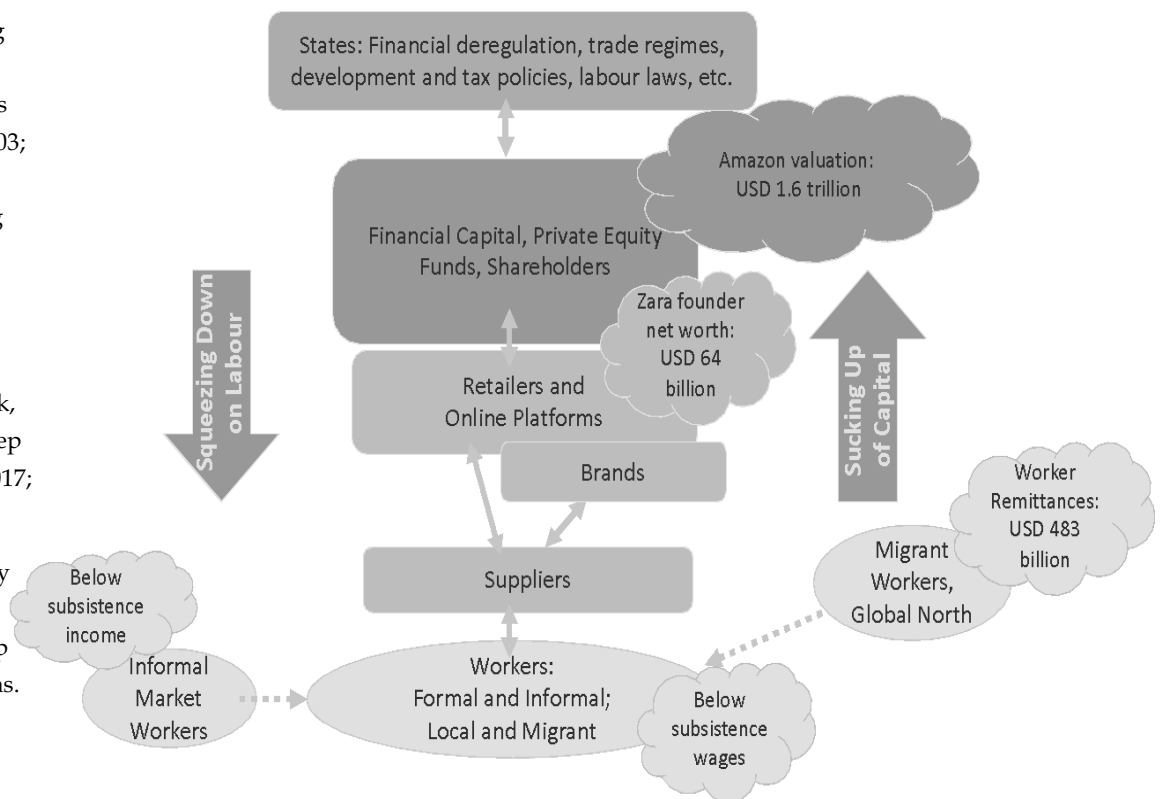


Figure 1. Worker Control and Capital Accumulation: Squeezing Down and Sucking Up



Figure 2

Suppliers passed the pressure from this squeeze down on prices to their workers through chronically low wages, with 96% of female workers saying their straight wages did not cover their living expenses. The squeeze also contributed to increased work intensity, forced overtime that was often unpaid, and verbal abuse, most notably when workers failed to meet hourly production targets. Indeed, 64% of surveyed workers indicated they were yelled at for not meeting production targets. [See Figure 3.]

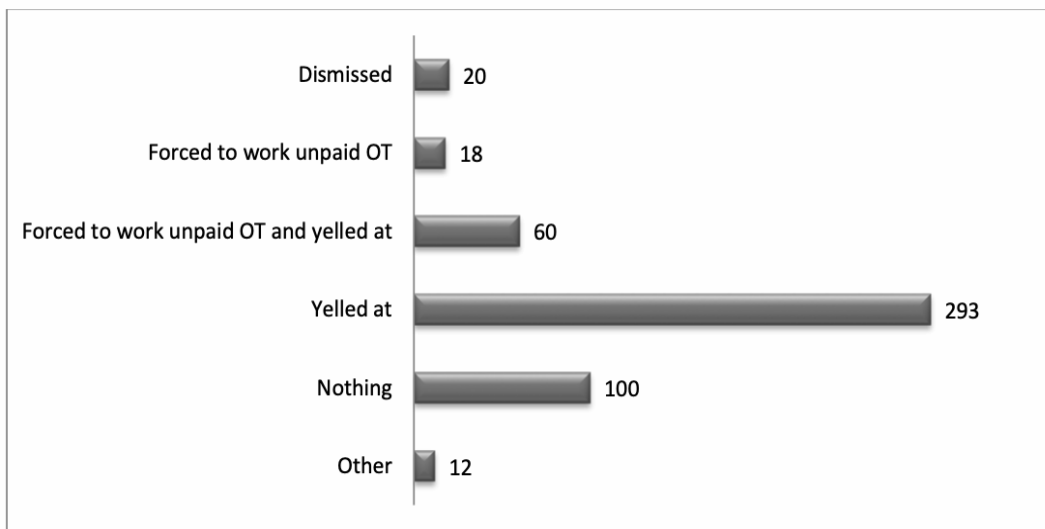


Figure 3: Consequences for Not Meeting Production Targets

In the case of Bangladesh, we also find a correlation between the push down on prices (in this case, one of Bangladesh’s most important garment exports, cotton trousers) and respect for workers’ rights to form unions, bargain and strike. From 2000 to 2015, as prices were squeezed down, worker rights violations increased markedly. [See Figure 4.]

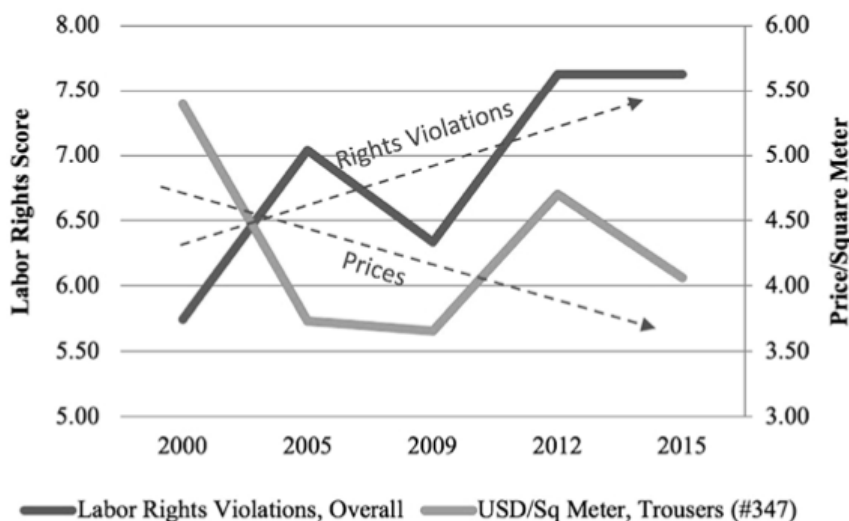


Figure 4

The Covid-19 pandemic exacerbated all these adverse impacts on suppliers and their workers. When the pandemic forced retailers in the global north to shut their stores, they responded by using their supply chain power to cancel in-process orders with their suppliers without paying. The result was that many suppliers were forced to shut down their operations in part or in full, resulting in hundreds of thousands of workers losing income through lost hours of work or outright dismissals, often without proper severance pay (Anner 2020a).

Conclusions

Garment global supply chains are characterized by dramatic power imbalances between brands and suppliers and suppliers and their workers. This supply chain system has been facilitated by state policies that encouraged the massive growth and geographic dispersion of garment production. The system is leveraged by the financial sector, which sucks up value by pushing companies to make high profits through high sales volume and rapid inventory turnover. The result has been a relentless squeeze on workers, the majority of whom are vulnerable young women. This squeeze includes low wages, long hours of work, high production targets, and verbal abuse. Transforming these dynamics will entail actions at each tier of the global supply chain structure: organizing workers at the bottom, ensuring suppliers respect labour laws and pay living wages, pressuring brands to provide prices that cover the costs of decent work, and re-structuring the incentive system of the financial sector so that finance is used to support sustainable development and not undermine it. Ultimately, it will entail transforming national and transnational rules and regulations that fomented the entire system.

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Endnote

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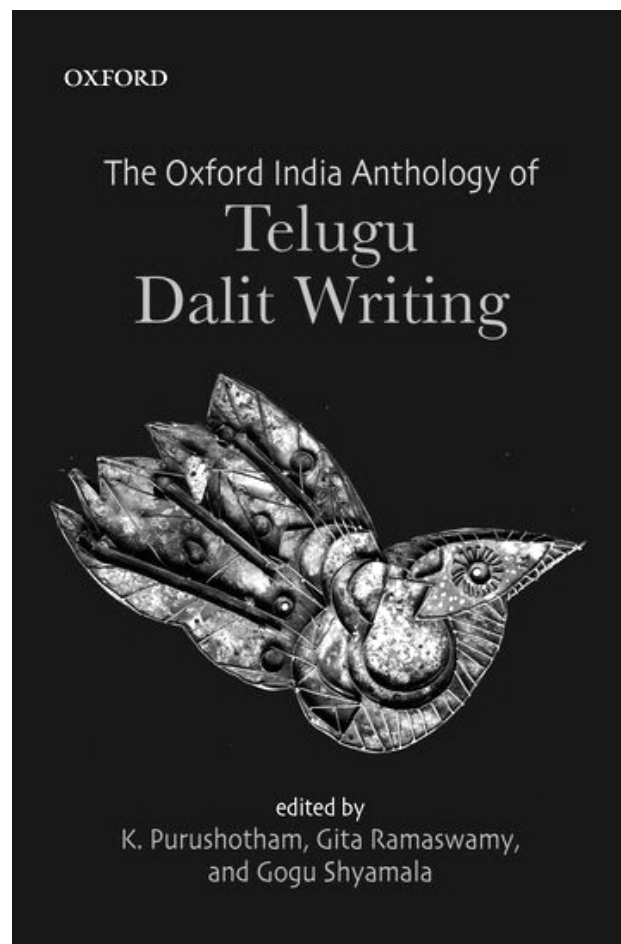
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Women walk the night!



Organization of Work in E-supply Chains: Case Study of India

■ Madhuri Saripalle and Vijaya Chebolu-Subramanian

The global automotive industry is undergoing a transformation in the production and distribution of vehicles with the onset of digital revolution and radical changes in mobility preferences. Additionally, climate change, energy security issues and rapid urbanization are accelerating this transformation (NITI Aayog, 2018). The changes in the transportation paradigm will gradually and eventually shift preferences away from traditional combustion-engine based automobiles to electric vehicles and shared mobility solutions. They would fundamentally alter the structure of the industry, typically designed in a hierarchical model of input suppliers, component manufacturers, assemblers, dealers, financiers and customers towards a more interdependent network of key players in the industry.

This essay, drawn from a study based on extensive literature review and interviews with industry stakeholders, explores the impact of these anticipated changes on the organization of work in the Indian automotive industry. Specifically, it dwells on the potential demand for new skills and creation of new employment opportunities. It has three broad components.. One, it compares the supply chain design of traditional versus the upcoming newer supply chains and their impact on inter-firm relations; two, it analyses the impact of e-vehicles on demand for labour and skill sets; and third, it draws the role that state policy has to play in facilitating these changes as they have implications for the employment of the vast pool of unorganized workers in the automotive sector.

The essay has four parts. Section 1 describes the global evolution of the e-vehicle industry and the major challenges it faces. Section 2

analyses the supply chain differences between the combustion and electric vehicles. Section 3 contrasts the skill sets required for such a transformation in the Indian context. Section 4 discusses the impact of COVID-19 on these changes and section 5 presents the critical role of the public policy in facilitating the re-organization of work in the automobile industry.

Background

The automobile industry is well known for its structured supply chain that allows transfer of best practices and coordination of demand across global markets. The traditional producer-driven supply chain is heavily dependent on a network of tier 1 to tier 3 suppliers who are involved in not only high-end work but also jobbing and repair units; wherein, a system supplier assigns tasks across various levels of the supply chain. The advent of electric vehicles (e-vehicles) is bound to disrupt the traditional supply chain model by breaking this hierarchy and introducing new models of contractual relationships and governance between various stakeholders in the supply chain. Parts such as pistons and fuel injectors will be obsolete and demand for new components and skills is likely to emerge. The transition from combustion engines to electric vehicles would happen in phases as countries transition from hybrids to plug-in hybrids (PHEVs) to Battery Electric Vehicles (BEVs) to Fuel Cell Electric Vehicles (FCEVs).

There are several challenges for mass production of electric vehicles that include battery cost, charging time, driving range, infrastructure and standardization of recharging stations and high initial investment outlays. Additionally, electric

vehicles are more expensive because of the technology involved. There are several infrastructural challenges with respect to grid connectivity, charging stations and logistics of transporting/carrying battery from consumer's standpoint. Finally, the emissions depend upon the method of electricity generation in the electric vehicles industry (Akhavan-Rezai et al., 2015; Su et al., 2011 in Peter Cooper et al, 2019). Given these challenges government regulation will play a crucial role in the diffusion of this technology. Industry forecasts with respect to adoption of this technology in India predict that the major transformation will occur during 2040-2050 (Bloomberg Electric Vehicle Outlook, 2020).

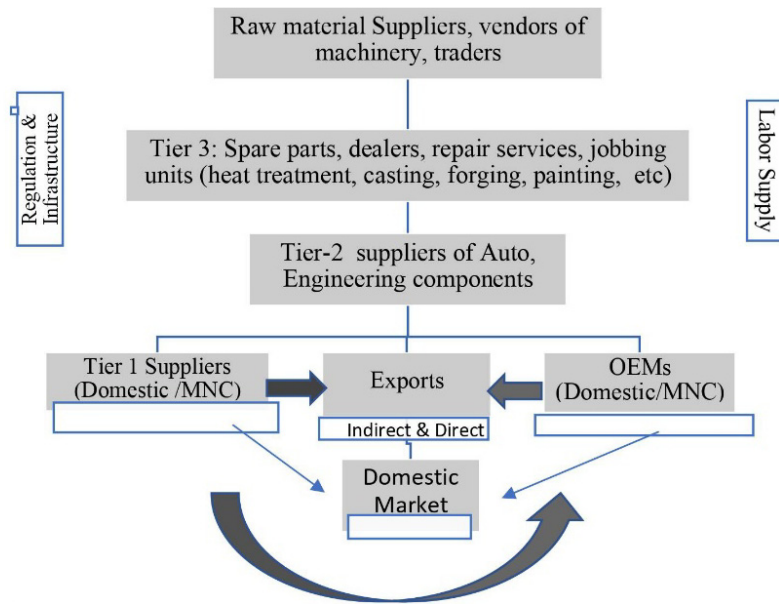
Currently, the top countries in terms of consumption of e-vehicles are the U.S, China, Japan, Netherlands and Norway. In terms of technological advancement, Japan, South Korea and Germany are in the forefront. There are hardly any e-vehicle producers in Asia. At present, according to Tury (2019), there are only three countries - Slovakia, Turkey and Mexico where electric vehicles are assembled.. However, as labor costs in these countries increase, some of the production may get outsourced to lower-labor cost and higher skill economies such as India, if favorable conditions and technological capabilities are available.

Dismantling the supply chain: combustion versus electric-vehicle industry

Key actors in the supply chain

The production in traditional automotive industry is driven primarily by six component segments: the engine, suspension, transmission, sheet metal, electrical equipment and tyres. These create a vast array of backward linkages with many producer-driven industries such as steel, aluminum, rubber, electrical and others. Value creation and control over the value chain rests with the engine and powertrain component segment, which is controlled by the vehicle manufacturer. In terms of proportion of cost of the vehicle, however, the component sector comprises two-thirds of the cost of the automobile. As per labour, figure 1 shows that the supply chain relies mostly on contract labor for the assembly work. Direct employment comprises both regular and contract workers, constituting an approximate 30 percent of employment in the automotive industry. Indirect employment comprises the remaining 70% which includes the entire gamut of customer services such as vehicle finance and insurance, vehicle repair, vehicle

service stations, vehicle maintenance, vehicle and component dealers, drivers and cleaners (PWC, 2013).



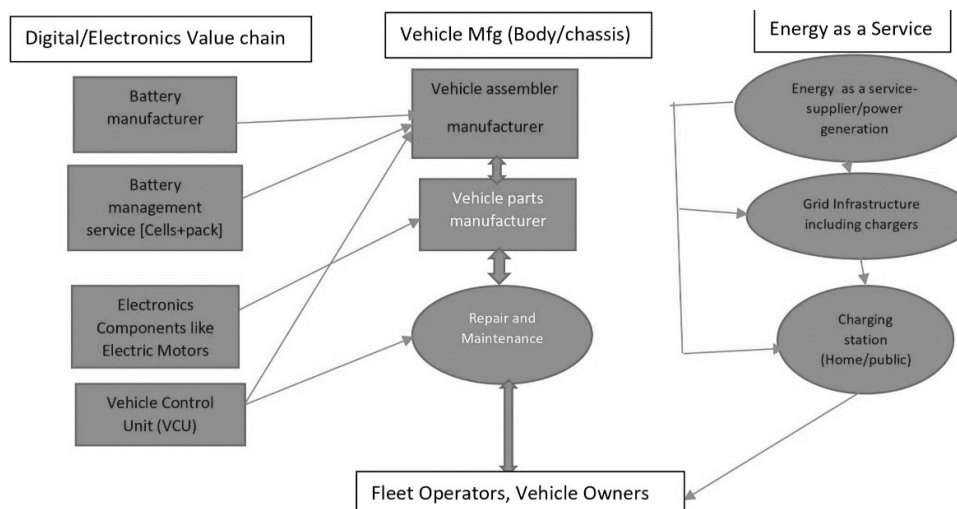
Source: Field survey interviews

Figure 1: Traditional Automotive Supply chain

The electric vehicle supply chain is highly complex and consists of various inter-connected players (Figure 2). Unlike the traditional combustion based automobiles, EVs are less complex to build. They take 30 percent less time to assemble. Hence workforce requirements might be lesser and might result in a reconfiguration of labor demand in the global production network. However their value chain is far more complex. Value creation in the e-vehicle industry rests with the production of the battery segment which constitutes almost 35-40 % of total cost and is currently dominated by a few countries such as China that have access to the raw materials like Lithium. Important components include motors, controllers, chassis and body and other electronic components. Electric vehicles have fewer moving parts and replace the need for some existing components. For example, fuel tanks are replaced by regenerative braking systems. Replacement of mechanical systems with electronic systems will demand core competencies in hardware, software systems and functions such as remote diagnostics (Masiero et al, 2017). The supply chain of electric vehicles can be broadly categorized into:

1. Digital/Electronics: This consists of the battery management system comprising of fuel cells and the battery pack; other electronic components, dashboard, vehicle control unit, digital, Internet of Things (IoT) and cloud services
2. Vehicle motor manufacturing, vehicle assembly comprising the body and chassis.
3. Energy as a service, comprising of grid infrastructure, charging infrastructure and energy providers

Each of these has its own supply chain and interlinkages to the electrical and electronics industries and the energy sector. The following section analyzes the key skills required in each segment of the supply chain and the current status of each segment in India.



Source: Based on secondary literature and interviews by Authors

Figure2: E-Vehicle Supply Chain

Impact on Employment and shift in labour requirements: Electric Two and Three wheelers

The growth in the electric vehicles industry, several studies predict, would lead to an increase in the additional number of jobs – 8,50,000 in 2030 to 2 million and a shift in work skills by 2050. India’s growth trajectory with respect to electric vehicles will be very different from its Western counterparts. In India, employment generation in the e-vehicle industry will largely depend on the 2-wheeler industry, which comprises 79 percent of the total automobile industry. India’s tryst with electric vehicles started with the automotive mission plan in 2005 with incentives for manufacture of electric 2-wheelers. This was subsequently withdrawn in 2011 until FAME (Faster Adoption and Manufacturing of Hybrid and Electric Vehicles) policy was launched in 2015.

In India, as the electric two-wheeler market is highly price sensitive, manufacturers are working on business models such as leasing of batteries on a per kilometer basis and designs for easy portability of batteries such as built in trolley with charger. However, given the current business models and no clear government vision, existing 2-wheeler players have no incentive to invest in large scale EV production, and will cannibalize their own market shares. In the three-wheeler segment, there are currently one million battery operated vehicles which need to be converted from lead acid to lithium-ion driven battery. This project can generate a huge demand for electric vehicles and encourage more players in the industry.

Skill Mapping across the supply chain

a) Battery Manufacturing and Battery Management System (BMS): The power in the value chain rests with the battery manufacturer responsible for fuel cells. On top of the battery, lies the BMS, which controls the performance of battery, the electronics that go into the battery and the vehicle control unit that dictates the flow of power into the power train or the electric motor. Since the main source for battery is China, India does not have any potential for localization. Indian companies are focusing on the battery pack, which currently differs from manufacturer to manufacturer and there is potential for standardization. Battery pack consists of the entire battery module and its control systems

including the BMS. The design of the battery pack can be customized to improve the life and performance of the battery. For example, the Tesla's automobile's battery pack is unique and uses the flat battery technology, whose suppliers are locked-in with the manufacturer. As battery pack design becomes standardized, there will be more cost efficiencies in the sector, which may eventually generate more employment. In India, there is a potential for creating skills in the electric induction motor segment, given the existing capabilities in allied sectors of electronics, mobile, etcetera, which need to be mapped onto the automotive industry. There will also be demand for skills related to managing the vehicle control unit, which may come from the IT and the computing sector. As of now, new suppliers such as KPIT are emerging at the top of the value chain with engineering design capabilities.

b) Vehicle Manufacturing: EV manufacturing requires fewer moving parts, hence fewer components, but it requires more skilled manpower for repair and maintenance of electronic and electrical components. This segment has witnessed mergers and acquisitions in recent times to acquire capabilities and achieve scale to cater to global demand for electronic components. In India, new suppliers such as Comstar Automotive Technologies and Sona BLW have acquired significant capabilities in the domain of electric motor manufacture and e-axles. Both entities merged as Sona BLW acquired Comstar automotive technologies in 2019. New suppliers such as Varroc may emerge as tier-I suppliers to e-vehicles in India. Varroc Group, set up in 1990 is now a global supplier of lighting systems, power train components, electric and electronic assemblies and polymer-based vehicle products (Economic Times, 2018).

c) Energy as a Service: The value chain in this sector comprises energy providers, energy infrastructure and charging stations. In India, there are currently 80000 petrol stations as compared to only 500 charging stations. This shows the potential for employment generation in this sector. The key players in India will include private players in the automotive manufacturing segment, NTPC (Charging infrastructure), BHEL (battery technology), Power ministry in the public sector and Tata Power and OLA in the private sector.

The generational shift required in employment

With the creation of new supply chains in the automotive industry for manufacture of EV's, a major task will be the upscaling of the small and medium scale traditional auto-ancillary companies to enable transition to EV vehicles production. Unlike the conventional internal combustion engine (ICE) based automobile industry, EV industry might have lesser scope for semi-skilled or low skilled jobs. Further, many of the SMEs are located in the maintenance and repair segment, which might see a fall in demand. The new skill requirements in the industry would mostly be in the skilled and semi-skilled segment as Table 1 shows. However, the transition to the supply and demand for new skills is bound to happen gradually across the globe and there will be a generational shift in employment opportunities in the automotive sector.

Impact of COVID-19

The global automobile industry is facing one of the worst disruptions in production and supply chain due to low demand which is aggravated by the onset of COVID-19. While car sales and registrations have declined drastically across the world, the market share of electric vehicles has continued to grow, at least in Europe. Sales of Battery-Operated Vehicles (BEV) have increased across the U.K, Italy and France by 30-50 percent (International Transport Forum, OECD, 2020). While short term prospects of EVs may be impacted because of disruption in supply chain and low fuel prices, in the long term, with breakthrough in technology, access to new mineral resources such as nickel and cobalt, and the policy imperative to meet

emission targets will result in growth of the EV industry. In India, in the fiscal year 2019-20, the automobile industry witnessed a degrowth of 15 percent (SIAM, 2020) with the commercial vehicle segment being the worst hit (-29%), followed by two wheelers and passenger cars (-18%) and three wheelers (-9%). The worst period was March 2020 which bore the brunt of the pandemic resulting in a degrowth of 39 % over March 2019. Recovering from the impact will take a substantial time as the industry has to deal with both demand as well as supply shock. However there has been an increase in the sales of electric vehicles by 20 percent as per the data released by the society of electric vehicle manufacturers (SMEV) in India; which includes 152,000 two-wheelers (majority of which are low speed electric scooters which do not require registration), 3400 cars and 600 buses. This growth does not include e-rickshaws which come under unorganized sector and which reported sales of 90000 units in FY 2019-20. The impact of pandemic may well have accelerated change in lifestyle and acceptance of alternative mobility choices which are cleaner and cost-effective for short distances.

Policy role and Implications

Though the Indian government has been pushing researchers, innovators and industry to support EV manufacturing through slogans such as "Make in India" and "Vocal for Local", there is a need for clear policies and incentives to overcome the current challenges (Financial Express, Inc42, Autotechreview, 2020). Possible alternate technologies such as sodium-ion or aluminum-ion cells are being researched in India and around the world, but

Field of activity	Skilled	Semi-skilled	Un-skilled	Representative job profiles
Scientific research of batteries				Chemists, material scientists
Design & development of automobile technology				Engineers, software developers, industrial designer
Manufacturing				Assemblers, machinists, production managers
Vehicle maintenance				Automotive service technicians, mechanics
Infrastructure development				Urban and regional planners, power-line installers/repairers, electricians
Sales and support				Retail salespersons, customer service representatives

Source: Analysis of the Electric Vehicle Industry, International Economic Development Council, 2013, page 23.

Table 1: Job Profile in the ECV Industry

none of these have been tested widely in the real world. Firms such as Reliance Industries, Suzuki (with Toshiba and Denso), Indian oil corporation and Exide industries have announced plans to invest in battery technology in India.

Diffusion of electric vehicle technology is often characterized as a chicken and egg situation, where the policy dilemma is whether to manufacture vehicles first or create the charging infrastructure for the same.

Looking closer at the type of vehicles being bought, a clear policy push is required for creating demand for fleet vehicles and commercial vehicles which require public charging stations. However, for two wheelers and small cars, a two-pronged approach to incentivize both the demand and supply side of the industry are required. Specifically, fiscal subsidies to consumers would shift the demand in favor of electric vehicles on the one hand, and producer incentives for R&D would create incentives to manufacture innovative models and thus, go a long way in kick-starting the EV journey in India. Fiscal support in most countries to the EV industry has been in the form of direct subsidies. However, a NITI Aayog report in India advocates for subsidies in the form of carbon credits or coupons, staggered import duties based on the good's contribution to the value-add chain and GST based on vehicle utilization (NITI Aayog, 2018). Given that the success of EV manufacturing depends on several stakeholders from Research labs, OEMs, start-ups, battery manufacturers to infrastructure developers, specific policy measures targeting crucial players in the supply chain is imperative.

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Digital Innovations and the Rise of Digital Piece-work

■ Uma Rani

The development of digital technologies and the availability of cloud infrastructure and computing services since the 2000s has led technocrats to come up with new business models, such as digital labour platforms, which allow for new modes of outsourcing work across the globe.¹ Digital platforms can be categorised out into two types – a) online web-based platforms, where tasks are performed online and tasks are allocated to the crowd (microtasking) and to individuals (on freelancing and competitive programming or software platforms) and b) location-based platforms, which are performed in physical locations by workers such as taxi services or delivery services. Among the business models, the most popular are the location-based platforms which provide taxi services, such as Uber or Ola; and delivery services such as Swiggy, which have received far greater attention over the past few years. The online web-based platforms are comparatively less known and are the latest manifestation of the on-going outsourcing process.

This note focuses on microtask digital labour platforms based on an International Labour Organisation (ILO) survey of 2350 workers conducted across the globe in 2017. They provide businesses with access to a large flexible workforce 24/7 across the globe to complete the tasks. These platforms enable the reorganization of activities that have conventionally relied on traditional employment relationships that characterized the work earlier, and are now being performed by independent contractors or the self-employed. Work is now often performed on an on-demand basis, wherein the logic of

“‘just-in-time’ inventory system” is applied to the labour process (Vallas, 2019, p.49). The compensation is based on a piece-rate basis, and as the workers are defined as ‘independent contractors’ they are required to provide their own capital equipment with little labour and social protection (Stanford, 2017; Drahokoupil and Fabo, 2016).

Invisible labour

In 2005, Amazon was struggling with cataloguing products in a way that would be easy for buyers to access through the search function, particularly due to duplicate product entries on its website. To systematize the data that was supplied by its multiple vendors, it created an internal website tool wherein employees, during their spare time (unpaid labour), could go through the catalogue entries and mark any duplicates. The reason for launching its own internal website, was because technological developments, such as artificial intelligence were not able to detect and classify images or texts, which still required human intelligence (Irani, 2015). This technology tool that the company developed allowed it to complete the tasks in a quick and efficient manner, and the success of this tool led Jeff Bezos to launch a digital labour platform, Amazon Mechanical Turk (AMT) in 2005. The platform facilitated businesses to outsource a wide variety of simple data processing tasks, which could be performed by workers from across the globe in a cost-effective manner (Silberman, 2015). Recognizing the power of the platform to get tasks completed at such a rapid pace using a global pool of workers led to a rise in such platforms. This virtual supply chain of

invisible workers has been central for data processing and for vehicular automation, among others for many companies.

Technological advancements do not necessarily displace workers, but reorganise work, and the current wave of digital transformations are making a worker invisible, as they perform tasks virtually behind a machine. This is most prominent in the case of content moderation, which refers to screening content posted on internet websites, social media platforms, and other online websites. These tasks are done on digital labour platforms, and in call centres, which are largely located in India and the Philippines (Roberts, 2014). According to YouTube’s CEO in 2018, a lot of objectionable material such as pornographic images, war images or hate speeches are detectable through artificial intelligence (AI) and algorithms. However, what is often concealed is that AI and algorithms are still unable to capture these aspects 100 per cent, and as a result a human behind the screen has to verify the decision to remove harmful content from the web. This secrecy of human involvement is quite common in content moderation, and workers often have to sign a non-disclosure agreement about the nature of work they perform. The work and the attendant conditions have a huge psychological impact on these workers.

This process of automation not only renders workers invisible but also deskills them. Many of the tasks, especially on microtask digital labour platforms are simple, repetitive and mind-numbing and do not require any specific skills. An ILO survey of workers on digital labour platforms in 2017, and interviews with workers of a content moderation firm in 2019 revealed that a large proportion of them are highly educated with a bachelor’s or postgraduate degree in science, technology, engineering and medical education especially in developing countries. Most of these workers who have been educated in urban centres and in institutions with high average costs of education, risk their skills to be wasted or under-utilized. Further, governments in many developing countries, instead of leveraging the skills of newly trained graduates, are embarking on developing digital infrastructure and supporting training programs initiated by the private sector to equip the workforce with such skills to perform tasks on digital labour

platforms. These developments raise a fundamental question with regard to whether this strategy would lead to social and economic development that generates long-term benefits for the economy and society.

Management by algorithms

Apart from resurgence of piecework, digital technologies have also enabled the entire work process to be managed and controlled by algorithms. This form of algorithmic management is not specific to microtask digital labour platforms but is increasingly becoming prevalent among a range of other sectors such as the taxi or delivery sector, where the algorithm is the boss. On microtask digital labour platforms the allocation of tasks to workers is done by an algorithm based on workers ratings, and if the rating is below a certain threshold of the platform then the worker will not receive the task and there is a high probability of the account being deactivated. The work is supervised and evaluated by an algorithm using a majority voting system, and the algorithm is programmed by a human. For example, suppose on microtask platforms that a particular task is distributed among three workers. If the result of one of the workers is different from the others, then the worker risks his work being rejected even if it is correct. This is because the algorithm may be set up to automatically reject the work of the response that is different. Such evaluation of work by an algorithm risks work being rejected, even if it was completed well. In addition, on these platforms there is no communication between the platform/business client and the worker. And when the task is rejected, there is no way for the worker to know why the task was rejected, nor any dispute resolution mechanism to contest the decision. In addition, there is no payment for the time spent on completing the task, which has repercussions on their ratings and access to their future tasks. Thus, while ratings are critical for workers' access to work and incomes, they are not always fair or transparent, and workers have limited opportunities to undertake dispute resolution.

Opportunities and challenges for workers

The rise of microtask digital labour platforms has brought about many opportunities for businesses as they are able to reduce costs, improve efficiency and organisational performance by accessing a global pool of

workers. The success of this business model is largely due to massive investments from venture capitalists, despite many of the platforms not being profitable. These platforms provide workers with some income generation opportunities especially in developing countries, and flexible work schedules. This allows workers such as, women, persons with disabilities, youth, migrants, and non-specialists to access the labour markets. For instance, women with care and household responsibilities have the flexibility to access work from home, who might otherwise have difficulties to access paid work in the offline labour market. This motivation seems to be quite prevalent among highly educated women in India, a country which is largely influenced by the gender roles and expectation of women to take care of children and household work. However, work on these platforms has also created a number of challenges for workers and these include:

Status of employment: The workers on digital labour platforms are categorised as 'self-employed' or 'independent contractors', while the work process is often controlled by an algorithm and the relationship resembles that of an 'employee'. This is not only evident in the case of microtask digital labour platforms, but also in taxi and delivery app platforms. This strategy allows platforms and business clients to devolve the responsibility of providing labour and social protection to workers themselves. This has huge implications on workers income security, and the COVID-19 pandemic revealed the enormous risks for these workers as they lack social protection or sick leave due to an absence of an employment relationship.

Regularity of work: Though digital piecework resonates a lot with traditional home-based piece-rate work in the manufacturing sector, there is a fundamental difference. The home-based piece-rate workers had a regular flow of work through their middlemen or intermediaries, and they did not have to go searching or looking for work. In contrast, digital piece work does not have any intermediaries and they have to constantly search for work and build their profiles, which can be quite time consuming and is often unpaid work. An ILO survey of workers on digital labour platforms in 2017 revealed that for every hour of paid work, the workers spent additional 20 minutes searching for work.

In addition, due to the global nature of the platforms, wherein the clients are largely based in developed countries and workers are based in developing countries, workers often have to adapt to the temporal distribution of jobs (O'Neill, 2018). This often leads to long working hours for a substantial number of workers from developing countries, wherein about 56 per cent of the workers worked during the night (10pm to 5am) and 44 per cent work for seven days per week (Rani and Furrer, forthcoming). Apart from the high intensity of work, it also blurs the line between work and personal life, as the constant need to search for tasks makes it difficult to define the boundaries of work. It also contradicts the flexibility model that is promoted by the platforms, as the workers do not have the autonomy and control over their work schedules. The regularity of work is also impacted by the way platforms are designed, as they can block workers from certain parts of the world from participating in some of the tasks, thus restricting access to work.

Low incomes: The irregularity of work has implications on workers' earnings, especially if they are dependent on it as their main source of income. An analysis of work performed on these platforms compared to those performing similar tasks in the offline labour market in India, revealed that workers earn almost 62 per cent less than their counterparts in the offline labour market. Furthermore, due to the restrictions of workers to perform certain tasks on platforms there is also a huge variation in incomes among workers from different countries. For instance, based on an ILO survey on Amazon Mechanical Turk platform, findings show that American workers earn 2.5 times the average earnings of the Indian workers and such disparities were also observed by other researchers on freelance platforms (Beerepoort and Lambregts, 2015; Galperin and Greppi, 2017). In addition, many workers from developing countries expressed that the payments for tasks were too low and unfair, and workers were often paid in gift vouchers rather than in cash, which they could not utilise leading to lost income and time. Even when workers received cash, it was far lower than what was prescribed in the platform for the task, as they had to pay for invisible middlemen or PayPal.

Lack of social protection: The social protection coverage is a major concern for workers on

digital labour platforms, across both developed and developing countries. With the outbreak of the COVID-19 pandemic, this situation has created additional risks for workers not only in microtask digital labour platforms, but also those that provide taxi and delivery services. While weak social protection coverage is common, occupational safety and health risks are significant especially for workers engaged in tasks such as content moderation.

Low levels of unionisation: Given the global dispersion of labour, a major challenge has been to organise these workers, as they also often compete with one another to access jobs. As a result, the levels of unionisation are quite low (4 per cent according to an ILO survey in 2017). However, workers use social media and other online forums to share their experiences, to discuss their problems or seek advice for well-paying tasks or how to handle rejection rates. While these forums are effective in sharing information, issues relating to working conditions are rarely discussed.

Despite low levels of unionisation among these workers, there have been some efforts towards improving the working conditions. These include Turkopticon, which allows workers to rate clients who post tasks on AMT; the Dynamo Guidelines for Academic Requesters on AMT to ensure minimum wages are paid to workers; FairCrowdWork.org, which lays down principles for fair work, initiated by IG Metall (a German trade union), the Austrian Chamber of Labour (*Arbeiterkammer*) and the Swedish white-collar union, Unionen; and the Crowd sourcing Code of Conduct, a voluntary pledge initiated by German crowdsourcing platforms. The signatory platforms have also established, in cooperation with IG Metall, an "Ombuds office" through which workers can report disputes with platform operators.

Way Forward

Some of these issues and challenges discussed for microtask digital labour platforms, are also similar across other online web-based platforms (such as freelance and competitive programming platforms), and location-based platforms (such as taxi and delivery platforms). In a number of developed countries, there has been a debate about the employment relationship of these workers, which has led to court decisions about the

status of the workers based on litigations. This has also resulted in different decisions across countries with regard to the classification of workers. Some countries have classified these workers as 'employees' (France, Italy, Spain, California in the United States) or as an 'intermediate category' (the United Kingdom) to ensure that both labour and social protection are extended to them. Further, some countries have tried to address some aspects of working conditions. For instance, governments in New Zealand and Australia have adopted a broader statutory language, which allows all workers irrespective of their employment status to occupational safety and health, while in Brazil a judicial decision has led to the extension of safety and health to platform workers. Many of the Latin American countries, Indonesia and Malaysia have enhanced social security through using digital applications which automatically deduct the tax and social security contributions of platform workers, thereby simplifying the process and ensuring that the workers are protected. Unfortunately, India through its recent labour reforms has taken a step backward as it does not ensure any protection to these workers. Given the diverse nature of interventions there has been a call towards international legal coordination and international governance to address the issues related to workers on digital labour platforms.

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Endnotes

1. This note draws largely from the following two reports: Berg et al. (2018) Digital labour platforms and future of work: Towards decent work in the online world; ILO (2021) Digital transformation of the world of work: The growing role of digital labour platforms

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Declining Female Labour Force Participation and Crisis of Social Reproduction

■ Satyaki Roy

Sharp fall in Labour Force Participation Rates (LFPR) showing a rise in discouraged or disheartened workers in India is essentially a manifestation of a protracted agrarian crisis together with declining growth of non-farm employment for both skilled and unskilled workers since 2012. The decline in LFPR according to the National Statistical Office¹ was particularly severe in the case of rural female of age group 15-29 recording a steep fall of 15.7 percentage points by usual principal and subsidiary status (UPSS) during the period 2005-12 which shows a slightly less decline of 13.6 percentage points if we broaden the age group to 15 and above. For the rural females and for the two age groups mentioned, LFPR declined further by 11.2 percentage points during the period 2012-18. Notably LFPR remained strikingly stable for urban male of age group 15 and above. Generally labour force participation for females is much higher in the case of low income households compared to higher income groups, but since the fall in LFPR has been much sharper in the case of low income households, the usual gap between low and high income households in terms of labour force participation also declined during this period.

Commentators following this drastic fall in female LFPR have come out with some tentative and interrelated hypotheses. These include, among others, the assertion that (i) young girls are opting for education rather than joining the labour force; (ii) women opt out of work once household income increases during high growth periods; (iii) there are definitional and execution issues in capturing women's work during surveys; and, (iv) it is simply the decline in job opportunities for women. ILO did a comprehensive study² validating the interplay of all these factors,

while recognising the crucial fact that 62 per cent of the decline in female LFPR can be explained by the fact of diminished employment opportunities and 38 per cent of the fall can be on account of other factors such as increase in household consumption or higher participation in educational institutions. Explanations suggesting rise in household income as the most important determinant of decline in female LFPR become increasingly unsustainable when we see a decline in real wages of regular rural and urban workers in India during the period 2012-18.

This article suggests that the fall in female LFPR is structural and manifests a crisis arising out of the conflict between regime of accumulation and that of social reproduction. The distribution of waged and unwaged work at the level of household is not merely an optimisation problem with given options of income and constraints at the individual level. It is a result of a larger process manifesting a crisis of social reproduction that the current neoliberal regime of capital accumulation inflicts through diminishing employment opportunities on the one hand and privatising social and community provisions on the other.

Social Reproduction: Waged and Unwaged Work

Female participation in the labour market and the distribution of waged and unwaged work within the household is directly linked to the dynamics of production and social reproduction. At one level it depends on the nature of the labour market, availability of waged work and the provisions of physical reproduction on a daily basis, while at a systemic level it is the result of inclusion and exclusion dynamics of women labour depending on the needs of capital

accumulation. The myopia of choice theoretic approach fails to see the gendered nature of exclusion of women labour and tends to resolve it within the confines of household decisions.

Capitalism as a system exists when owners of means of production and subsistence come in contact with sellers of labour power, the workers. Despite workers being at loggerheads with the capitalists given their conflicting interests, capital requires workers for production and therefore there has to be a process of producing and supplying labour so that the system keeps going. For economics in general and political economy in particular the supply of labour is conceived as a natural process of wear and tear and finally death of current labour, which has to be generationally reproduced by supply of fresh labour. But labour as human beings and labour as possessors of a commodity labour power are two different aspects altogether. The dynamics of population defines the growth of new people but labour power is a social construct as selling labour is not something intrinsic to human nature rather it is the only fall back option for those forcefully alienated from the means of production. Therefore, production of labour power is neither a result of a natural process nor is it produced in a capitalist way involving inputs and hired labour. Labour power is produced in a non-capitalist site within the realm of kinship based family. Had it been produced as any other commodity in capitalism it would have destroyed the material basis and claimed that household is the site of free autonomous individuals who are responsible for their own failure. More importantly, the production of labour power as a process of physical procreation, as well as physical sustenance and rearing, involves critical contribution of unwaged labour structurally assigned to domestic labour of women.

The division of labour within the household and the distribution of waged and unwaged work are often optically collated to the biological division between men and women in the process of procreation. In fact, the supply of wage labour involves domestic labour that produces use values not meant for sale and hence often not considered to be meaningful work. But this very important process of reproducing and replenishing labourers has to be under control of capital and therefore capitalism facilitates patriarchal control over women, their bodies as well as on their choice of work. Therefore, the gendered structure of control over women's work is not only a continuity of transhistoric patriarchy but in the particular context of capitalism such domination is integral to the capital-labour relationship that is to be reproduced. In this

process family is often reified as the only site of production and source of labour power that helps justifying male domination within the household as a necessary prerequisite for capitalist accumulation. There is a process of physical reproduction which involves individual production and consumption of use values within the household but social reproduction entails a larger process of reproducing the totality of labour, maintaining non-labouring population and ensures generational replacement.³

The unwaged work performed by domestic female labour actually transfers unwaged work from the realm of private to the realm of public. It reduces the cost of producing able-bodied human beings and hence adds to the surplus of the capitalist employer. Therefore, the balance of waged and unwaged work is of immense importance and is articulated through the dynamics of production and social reproduction. What is even more important is the fact that the relevance of unwaged work is only appreciated when it contributes to the production of labour power and therefore surplus. Otherwise unwaged work has no meaning vis-à-vis capitalism. In other words, the use of domestic labour within the family, undergoing processes of oppression and alienation, can have some importance only when this contribution can be passed on to the capitalist through wage employment. This also determines the calculus of two-earner families in replacing unwaged work by waged services, the cost involved in employing someone as domestic help with respect to income earned through paid employment.

Accumulation and Crisis of Social Reproduction

The structural subordination of affective and material unpaid domestic work often termed as 'reproductive' work by 'productive' waged work defines the distribution of household labour and related inclusion and exclusion of women from economic activities for the society as a whole. But this process has been linked with the particularities of regimes of accumulation. Regime of accumulation is relatively a less abstract concept than principles of accumulation.⁴ It defines the forms of social transformation in the realm of production and consumption that helps in increasing relative surplus value with unchanged norms of deriving absolute surplus value. It actually articulates a balance between production and consumption through appropriate institutions and social norms. In other words, a particular regime of accumulation conditions the social reproduction process according to its needs but at the same time gives rise to

contradictions that demand further resolutions.

In the nineteenth century, liberal competitive capitalism was based on industrial exploitation of labour on the one hand and colonial expropriation on the other hand. It primarily depended on increasing use of cheap labour including women and children and the inhuman nature of exploitation became a real threat to the process of social reproduction. It drew attention of novelists and social commentators at that point of time which surfaced as a critique of industry-based modernity. The middle class and the elite also felt the tension of eroding working-class family structure and certain protective legislations were put in place to control the use of women and child labour. The response was basically to control unbridled exploitation driven by profit motive of individual capitalist and impose norms that ensure continued supply of labour serving the long-term interest of the capitalist class as a whole. It drove back women from economic activities confining them once again in domestic work and was culturally exalted by the Victorian model of 'separating' family space from work place.⁵ The exclusion of women from waged work became the norm to stabilize social reproduction. But this did not last long as the wages were low and the imposed separation became unsustainable beyond a point.

In the twentieth century after the Great Depression we see a change in the regime of accumulation with the rise of Fordism and Keynesian welfare state as a response to the crisis of social reproduction. It was partial internalisation of social reproduction by the state where the concept of 'family wage' emerged as an acknowledgement of public responsibility of generational reproduction. In this process the regime of accumulation could establish a balance between production and consumption by way of linking mass production with familial consumerism. But it also led to exclusion of women from active labour force and the 'male worker' emerged as the imagery of working class in state protected regimes.

In the current phase the regime of accumulation is market based, social welfare provisions are severely cut down, unionised workers are being replaced by informal and precarious labour in the name of labour market flexibility and the family wage is simply out of the agenda. The decline in the share of working class in value added has been the reality across the globe and capital takes advantage of labour arbitrage in making huge profits. The resultant decline in demand in advanced economies is taken care of partially by debt financed consumption roping

in working class in the labyrinth of financial gains. The scope of displacing the demand problem is less in developing countries where the permeation of financialisation is far less compared to advanced countries because of low per capita income.⁶ Moreover, financialisation results in a disconnect between profit, productive investment and employment. The shrinkage of manufacturing employment particularly in labour intensive sectors such as food processing, garments and leather disproportionately reduces the scope of female employment. For the upper middle class two earner families, working women can substitute their unpaid domestic work by low paid mostly migrant domestic help and thus pass on the crisis of social reproduction to working class and poorer families. In the case of poorer families however this transference is not an option. Employment opportunities have shrunk, wages have fallen below the socially necessary costs of reproduction, and commodification of health, education, child care, food and energy because of privatisation, have left no other option to fall back upon but to stretch the unwaged activities to make both ends meet. The exclusion of women from the labour force therefore expresses a deep crisis of social reproduction caused by a regime of accumulation that depends on income deflation or under-reproduction of labour and nature.

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The Reality Behind the Global Care Chain: The Case of South Indian Emigrant Domestic Workers

■ Praveena Kodoth

The Global Care Chain

There has been a considerable volume of research in the past two decades on the migration of domestic workers from the global south to the more affluent countries. This has drawn attention to the growing incorporation of paid housework into global political economy and highlighted power asymmetries between nations. High or rising work participation rates of women and demographic ageing has resulted in a deficit of care providers in the global north and has been attracting migrant workers from the global south. Drawing on Rachel Parrenas' (2012) research on migrant Filipina domestic workers in the West, Arlie Hochschild formulated the concept of the Global Care Chain (GCC) to show how employers extract surplus value from migrant care workers and how migration depletes care provision at the source. Parrenas observed that migration produces a hierarchical chain of reproductive labour as kin networks of migrant women or low paid labour take over these migrant women's work in their own homes in the global south. Isaksen, Devi and Hochschild (2008) argue that employers in the global north do not compensate migrant workers fully for their labour because part of the costs of employing them are 'externalised', i.e., because the care work previously done by migrant workers in their own homes is now

replaced by unpaid work of women from their kinship networks or poorly paid women workers. In other words, these costs are rendered invisible and not fully monetised in effect providing a hidden subsidy to employers in the north.

The term *care* has been used to denote the wide spectrum of tasks that involves the upkeep of the human body as well as the cultivation of health and human capabilities. These include two broad categories of tasks, the more valorised tasks related to nurture and the more frequently outsourced and devalorised, menial tasks of cleaning. In accordance with this hierarchy of tasks in the global north, migrant workers and women of colour are engaged predominantly in the menial tasks of cleaning. The GCC analysis brought the spotlight on the reinforcement of global inequalities of well being, wealth and power; it has been extended to care workers in diverse settings and to the multiple actors who constitute the chain, i.e., the migration industry and source and destination governments. On the other hand, the GCC analysis has been critiqued for essentializing gender and reifying the notion of women as care workers (Yeates, 2012, Parrenas, 2012, Nadasen, 2017). Another problem with the framework is that as England (2006) observed, 'what is unique about migration is not doing care work or leaving children behind'.

Migration of workers who were once care providers in their own families disrupts care arrangements in the global south, irrespective of their occupation at the destination.

GCC analysis has focussed on migration from countries like the Philippines which have adopted a liberal approach to the migration of domestic workers. India is a major source of migrant domestic workers (MDWs) to parts of the Middle East but has traditionally adopted a protectionist approach to their migration. There is now a rising demand for MDWs in the Middle East spurred by increased work participation rates of women nationals as a result of policies of nationalisation of the workforce that seek to reduce the employment of migrant workers by corporations and the government and by the progress of ageing (Tayah and Assaf, 2018).

The Middle East is also distinct for the Kafala system of sponsorship and recruitment which relegates immigrants to permanently temporary resident status. In addition to this, MDWs are excluded from the purview of labour laws in the Middle East as they work in households. At the source, in India, the embedding of the migration of domestic workers in patriarchal power relations diminishes the value of migrant women's labour. In broad brush strokes, and drawing on my own research (Kodoth 2020), I sketch out here briefly how India's migration policy is complicit in accumulation strategies of overseas employers, the recruitment industry and other business interests straddling India and the Middle East.

This short paper shows how conditions at the source and destination of Migrant Domestic Workers exhibit a complexity that goes beyond the abstract universal model of the Global Care Chain.

The Kafala System and Indian policy: Effects at the destination

The possibilities of extraction of labour from MDWs in the Middle East are framed by the Kafala system, which ties the residence permit of MDWs to their sponsor. The system does not permit MDWs to change jobs without the sponsors' consent but allows the sponsor to send the worker back home at will. This reduces MDWs to abject dependence on their sponsors. The system mandates that sponsors must pay the recruitment and travel expenses of migrant workers but this provision rarely

benefits MDWs as it is misappropriated by intermediaries at different levels of the migration chain. But because sponsors pay to bring workers to the destination, they internalise a sense of entitlement over migrant workers, which translates into a motive to confine workers and to extract labour. Sponsors routinely confiscate the passports of workers though it is proscribed by the law and prevent MDWs from meeting and speaking to other people. This behaviour may be driven by the urge to protect their investment against the risk of the worker escaping or insisting on returning home.

However, MDWs also pay large sums of money as expenses of migration because the money paid by the sponsors is siphoned off by intermediaries. In this context, MDWs may tolerate abusive behaviour by their sponsors in order to avoid being sent back home or flee from abusive employers and seek other opportunities as undocumented workers. MDWs from South India have rich informal networks in the Middle East which they use to find alternate if irregular employment but in such situations they are also heavily dependent on informal networks to avoid detection and deportation.

At the source end of the chain, the emphasis of India's official policy, until recently was on restricting the migration of domestic workers supposedly to protect them from exploitation. Combined with the failure of policymakers to recognise the importance of interventions to protect workers' rights in the destination, a policy of restrictions created conditions that were more conducive to exploitation of MDWs. Restrictions diverted aspirants to irregular channels, raised the financial costs of migration and reduced returns. Lower returns have reduced the incentive to invest in skills (because the returns are not commensurate with higher skills) but has also limited migration to poorly qualified workers - a very large section of MDWs from Andhra Pradesh are not literate and those from Kerala have but a few years of schooling. Restrictions had a spiralling effect, diminishing the labour market prospects of Indian MDWs in destination countries. At present, irrespective of Indian women's competence or work load, sponsors are able to pay them less compared to women from countries like the Philippines, who have a higher rating on the labour market. In addition, the Indian government's reluctance to intervene to protect the rights of

MDWs in the destination countries has created a vacuum that has been filled by informal networks but these networks are known to extract payments in cash or kind, including sexual favours from domestic workers.

It is not entirely surprising that India's migration policy has been complicit in accumulation strategies of overseas employers and migration intermediaries since the voices of MDWs have been conspicuous by their absence in the policy making process. The past two decades have witnessed intensification of restrictions on the mobility of MDWs in response to dominant patriarchal and nationalist ideologies implicit in adverse public opinion. Such a discourse constructs the abuse of MDWs not as a violation of labour rights but as a blot on the image of the nation.

Shifts in India's emigration policy since 2014, however, bring into sharp relief the complicity of the Indian state in accumulation strategies of Capital across India and the Middle East. India has moved from outright protectionism to a more ambiguous policy stance that seeks to accommodate the demands of the destination countries for increased migration of domestic workers. Since 2014, India has signed domestic workers' mobility instruments with several Middle Eastern countries. Previously, officials of public sector agencies maintained that recruiting domestic workers for overseas markets would damage their 'image' but in a dramatic reversal of this position, since 2018 public sector agencies in Kerala, AP and Telangana have commenced organised recruitment of domestic workers to Kuwait.

India has substantial business interests in the Middle East, where countries have sought to leverage their business clout in veiled and sometimes overt ways. For instance, Saudi Arabian authorities insist that Indian recruiters of all kinds of workers will be issued contracts only if they agreed to supply domestic workers as a part of these contracts. Under pressure to accommodate these demands, which also implicate the interests of Indian business lobbies, the Indian government has reduced MDWs to mere pawns on the negotiation table. It is instructive that policy makers hear the demands of destination states and business lobbies but not those of MDWs who have been seeking greater ease of mobility along with

better protection of their rights at home and in the destination.

Social disruption at the source

The GCC framework universalises the concept of care and the notion of the family rooted in the modern histories of the global north. Such a universalization fails to take account of the infrastructural and sociopolitical context of care provision established by the state, markets and communities in the south (Raghuram, 2012).

Analysing the migration of women health workers from Kerala to the Middle East, Isaksen, Devi and Hochschild (2008: 73) argue that women may choose to migrate and use remittances to better their families, but a more powerful process of attenuation of social solidarities or the 'for itself-ness of families and communities' is simultaneously at work. "Indeed, as whole villages in Sri Lanka, the Philippines, Kerala, Latvia, and the Ukraine, are emptied of mothers, aunts, grandmothers and daughters, it and may not be too much to speak of a desertification of Third World care-givers and the emotional commons they would have sustained had they been able to stay" (Ibid). Such contentions mystify social frameworks in the global south and reify social solidarities as benign, when in actual practice, they are constituted and fractured by hierarchies of caste, class, race, age and patriarchy. Also as England (2006) had pointed out Hochschild provides no evidence that the children whose mothers migrate are worse off than they would be if their mothers had stayed, in other words, that the trade-off between losing their mother's time and gaining the money their mothers' earned was not worth it. However, the gains from women's migration are reduced by the costs attendant upon it on account of disruption of patriarchal relations at home and misappropriation of their savings. Some observations of these costs of migration are in order.

Patriarchy expressed through marital power relations provides the means for spouses of migrant women to extract women's labour and misappropriate the women's remittances in the source regions of South India. The position of the primary caregiver to children of migrant women is usually taken by another woman (in addition to her normal workload) from the kin network, frequently the mother or sister of the migrant woman or a female

relative from her husband's family. In some families, where the migrant's spouse had assumed responsibility for housework and childcare, daughters were pressed into service in ways that affected their time for school work and play. In other instances, spouses of migrant women became involved in other intimate relationships and neglected their household responsibilities. More frequently, however, spouses diverted a part of remittances for their own personal leisure.

Whereas men's extra-marital relationships caused little social tension, norms of caste and patriarchy intersect to subject MDWs to stigma on account of suspicion that they breach gender and sexual norms. In the context of the migration of nurses from Kerala, Walton Roberts (2012) has underlined the need to take note of stigma in any attempt to assess nurses migration within the GCC framework. Overseas mobility removes women from the everyday regulatory scope of local patriarchies which along with the nature of their work in the homes of employers renders migration of women fraught with sexual meanings. Migrant domestic work is conflated with sex work and migrant women are collectively subject to the stigma of a blemished identity.

Migrant domestic workers are drawn overwhelmingly from the historically oppressed communities and from families under economic stress. But the nature of marginality of MDWs in the source regions (in two different parts of India) corresponded to the scales at which stigma operated. In Kerala, there is a disproportionate presence of women outside marital protection – divorced, separated or widowed – among MDWs and the stigma attached to them permeates sending families and communities in the source contexts (which were castes/communities categorised as Other Backward Classes). Given the general currency of the male breadwinner norm in Kerala, the marital status profile of MDWs reflects a distinct form of social disadvantage. In AP, by contrast, MDWs were predominantly currently married and women's migration was more acceptable to their spouses and other family members than in Kerala. Stigma operated more outside the main sending communities, (which were the Scheduled Castes and OBCs) and was sharply prevalent among the privileged castes and in public opinion. Another factor that indicated the greater marginality of MDWs

from Kerala is that though they had higher literacy and age at marriage than their counterparts from AP, the gap between them and all women in the state was greater in Kerala than in AP.

Thus, in distinct ways in the two source regions (Kerala and Andhra Pradesh), the social position of MDWs constrained their ability to leverage the financial gains of overseas employment into dignity and self respect. The migration regime in India and the social frameworks in the source regions imposed distinct costs on women whether it was to gain access to overseas employment, the incentive structure to invest in skills or the responsibility to protect themselves. These included payoffs to informal networks and salaries that were not commensurate to their workload. The structural and institutional conditions of migration, therefore, imposed severe limits on the ability of Indian MDWs to realise the true value of their labour.

It is apparent, therefore, that the benefits of overseas employment of Indian MDWs are undercut by patriarchal forces that operate in tandem at the macro level through state policy and at the micro level through social frameworks that stigmatise women migrants and lead to social disruption. With their rights to mobility compromised by state policy and with the refusal of the Indian state to protect their rights against exploitation in overseas employment, women are forced to navigate a difficult course and unable to realise the true value of their labour.

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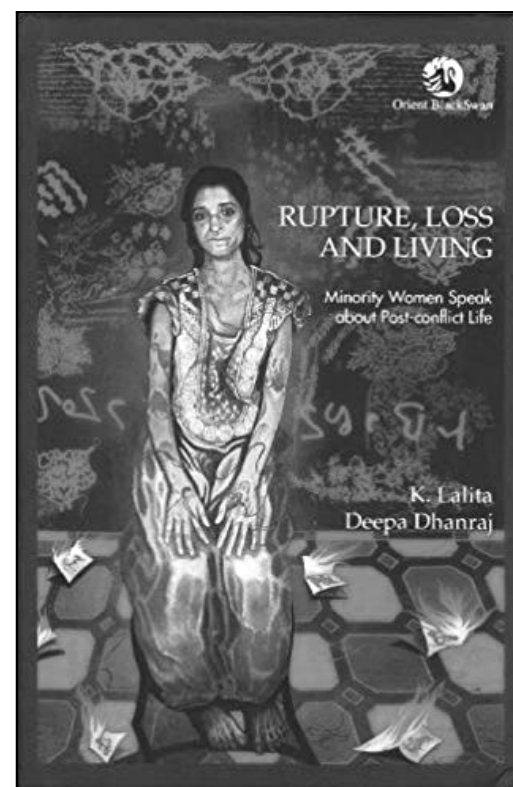
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The Birthing Precariat: Altruism in the Service of Capital

■ Anindita Majumdar

In circulating imagery of babies born in ‘isolation’ away from their desiring parents-to-be, in IVF clinics, through the labour of a commercial surrogate during Covid 19, there is only one missing person. The commercial surrogate finds absolutely no mention in the birth of the child: all credit and pain is lavished on the IVF specialist, the clinician and the suffering intended parents, under lockdown in a faraway place. And why should she be mentioned? The commercial surrogate is not an ‘essential service’, the new term of labour that has replaced the ‘essential goods’ category in times of national and global crisis. Furthermore, recent legislation aims to position her in frames that threaten to appropriate her labour and identity from her as well. The Surrogacy Bill 2019 seeks to ban commercial surrogacy in favour of seeking the services of a surrogate from amongst close kin, who will undertake the gestation-birth without compensation – as an altruistic act.

In August 2017, the Parliamentary Committee had extensive discussions on the suggested Surrogacy Bill of 2016 – recommending important amendments. The current Bill is a ‘breakaway’ from the ARTs Bill of 2015, signalling the state’s desire to ban commercial surrogacy altogether. The Bill was on the way to becoming an Act with the Lok Sabha endorsing it in December 2018, but soon after, in 2019 the Rajya Sabha sought more discussions and public debate on the Bill before endorsing it. This led to a parliamentary committee traveling to gather public opinion in select meetings regarding banning commercial surrogacy in favour of altruistic surrogacy.

Altruistic surrogacy, as per the Bill, involves kin seeking support from the female members to help fulfil the role of a surrogate. In this paper, I suggest that altruism has led to the complete devaluation of reproductive labour that surrogates undertake in commercial surrogacy arrangements in India. Commercial surrogacy as it is practiced has always been exploitative: creating ‘mother workers’ (Pande 2014); invisible labour work (Sama 2012); and caught in traditional patriarchal norms of shame, propriety and honour (Majumdar 2018). In reality, the nature of surrogacy work: temporary-contractual; without any institutional safeguards protecting the surrogate’s health during the heavily medicalised IVF process; and dehumanizing – is akin to the form of precarity that globalised labour regimes are subject to (Standing 2011). The forms of precarity that Standing identifies in linking lack of job and employment security to temporary contractual labour is most acute in situations such as gestational surrogacy arrangements in India, wherein economically impoverished women are hired through elaborate framings around birthing and pregnancy. Within such a model, I suggest, the current legal injunction that aims to ban commerce around gestational labour in favour of altruism, resurrects precarity in terms that hark back to a form of paternalistic patron-client relationship. The Surrogacy Bill 2019 seeks to prevent exploitation of poor Indian women, specifically by foreign intended parents seeking to hire them for surrogacy – but instead transposes it upon Indian couples through the exploitative frames of kinship and familial obligation. Thus, altruism promises

not only the euphemisation of commerce, compensation and renting but retains the womb that births the kin within the familial. But that is not all, in consonance with the above Bill is the now almost invisible Assisted Reproductive Technology (ART) (Regulation) Bill 2017 that was once the home for legislative injunction on commercial surrogacy. The separation of surrogacy from the Bill has meant that there is a sense of purported delineation of commerce and the familial. The Surrogacy Bill of 2019 in many ways is a legislation regarding the acceptable contours of the Indian family; and the ART Bill has to do with the ‘management of infertility’ (ICMR, pg 3). Commercial surrogacy under the ART Bills of 2008 and 2010 was a repository of the industry that provided the technology facilitating gestational surrogacy: namely, in-vitro fertilization. In that sense, surrogacy was subservient to the technology, and followed the dictates of the technology, including its control over the surrogate. The infertility industry, with its projections of a multibillion dollars transnational clientele, reportedly earned massive revenues through commercial surrogacy, until foreigners were banned from contracting surrogacy arrangements in India. Nonetheless, the industry remains embedded within big business through the provision of technology, and of oocytes and sperms from paid providers to couples desperately seeking to change their narrative of childlessness. In such a scenario, is altruism embedded primarily in the body of the commercial gestational surrogate? What does it mean to be altruistic when dealing with big capital?

Altruism and Precarious Labour in the IVF Industry

In the ART Bill of 2017, financial involvement in the IVF industry is marked in some very distinct ways. First, through the outlining of a government fund that will support the setting up of the National and State Advisory Boards, that will monitor the registration and functioning of assisted reproductive technology centres and gamete banks (used to source ‘donated’ eggs and sperms); and second, through the provision of ‘insurance’ against malpractice at the clinic. Capital is part of the underlying logic of the management of fertility, one that few speak of (Reddy and Qadeer 2010) – but one that benefits from the separation of surrogacy from IVF, and from the transition of commerce to altruism. In

interviews with IVF specialists recently, I was told that many of them submitted representations to the government regarding the ban against commercial surrogacy. There was resistance and reservations from clinicians, surrogacy agents, and surrogates (in the form of protests). However, in the face of the state's 'stoicism' in banning commercial surrogates, many IVF specialists began to ask for minor 'adjustments', including the removal of the clause for 'kinship' with the surrogate.

Kinship and interpersonal relationships play a big role in how altruism is imagined in surrogacy. Altruism in surrogacy works through two particular paradigms: one, that of the selfless giving mother who gives a gift of a child to infertile couples; and second, the invocation of religion to normalise and routinize the role of surrogacy as altruistic, even in its commercial form.

The ideology of the gift relationship is the bedrock of the commercial surrogacy arrangement. It creates a façade of altruism when there is none. This is what forms a large part of the euphemization of the contractual surrogacy relationship as a "gift relationship" (Bourdieu 1977). The preponderance of such an ideology is meant to mark commercial gestational surrogacy with some level of sanctity and legitimacy considering its "negative" positioning in relation to the commoditization of intimate relationships (Cannell 1990; Levine 2003; Teman 2008).

However, in the transnational context, the ideology of the gift relationship cannot be appropriated. Anthropological analysis of commercial gestational surrogacy in India points towards the ways in which agencies and doctors actively promote a "gift rhetoric" to not only distance the surrogate from the fetus, but also to draw the surrogate into an obligatory relationship (Pande 2011; Ragone 1996; Vora 2010). The "gift of life" comes to be positioned as an exchange of "life for life" (Vora 2013) wherein the Indian surrogate is willing to gestate a child in exchange for monetary compensation that would help her and her family survive. For them the "gift" is positioned in terms of a cycle of debt and obligation (Vora 2013) – by "giving" away a child they hoped to incur a lifelong obligatory relationship with the intended parents that would ensure their own survival. Many surrogate mothers saw their overseas couples

as "saviors" around whom they built fantasies of being rescued from their lives of drudgery (Pande 2011).

In Amrita Pande's study (2014) of surrogates and surrogacy in India, commercial surrogacy is championed as a form of 'global philanthropy' amongst its foreign client, who were made to believe that they were doing a good deed, and owed little or no obligation to the surrogate. At the same time, surrogates were made to believe that they were 'blessed' to have been chosen for the task, and should be thankful for the grace of their foreign, and Indian intended parents. Pande finds that this discourse is propagated effectively through the myth of the birth of Krsna: to justify commercial surrogate work, to train and indoctrinate surrogates into believing that they are carrying out god's work, and to justify one's role as god's messenger. Interestingly, at some point the Krsna myth morphs into the idea of 'surro-dev' a mythic conception of surrogacy as god himself – represented often through the imagery of the clinician. Materiality in this sense operates through a construction of divinity that is utilitarian and yet removed from worldly desires.

Elsewhere (Majumdar 2015), I have suggested that the invocation of the Krsna birth myth and the particular use of the above imagery by ICMR representatives multiple times at public lectures harks back to a form of resurrection of the mythic womb/ *garbha* that is uniquely Indian and thus counter to the Western technology. This is particularly provocative because the use of the myth and the imagery does not counter the Western technology or imagery, but aims to provide a foil to it by suggesting that the Indian womb has already been conceptualized in the form of a carrier since mythic times. Initially such an imagery was meant to seek out Western clientele for the growing commercial surrogacy industry, but is now effectively and conveniently being used to channelize the ideas circulating as part of a state rhetoric that deems Indian wombs as 'National'.

In the Surrogacy Bill that was passed in Parliament in 2018, the state has restricted access to altruistic surrogacy in India to Indian married couples excluding OCIs, PIOs and others, including foreign couples (who made up a bulk of those coming in to access

surrogacy in India). When justifying these exclusions, the Chairperson, National Commission for Women mentioned that Indian women's wombs were not for hiring. They were not available for use by foreigners. The rhetoric centred on and invoked the idea of a national womb that cannot be outsourced to westerners.

Thus, altruism can only be enacted within the family, or within the mandate of the nation state. In my research the 'national womb' within policy discourse morphs into suitable and unsuitable kin in the practice of altruistic surrogacy. In conversation with clinicians and IVF specialists, I found them performing the role of 'matchmakers' in creating viable progeny for the couples who came to them seeking surrogacy.

While matchmaking followed certain ideas of suitability, such as phenotypical similarity, the largely social criteria of education, family background, etc were overwhelming in the choice of surrogates and egg donors. However, in case of altruistic surrogacy arrangements enacted amongst kin, many of the IVF specialists invoked a form of 'gene sutra' wherein suitable female kin were identified as surrogates based on what protects the patriarchal practice of gift giving in North Indian marriage systems (Majumdar 2017). However, intrafamilial surrogacy may not always work. Female kin may not volunteer to be surrogates, and the dynamics of give and take may fail. As one IVF specialist told me regarding his petition to the Indian Council of Medical Research on the surrogacy bill, 'Look, we are supporting altruism...we just don't want the government to restrict surrogacy to "kin". Let couples bring a suitable candidate, and we can work towards making it an altruistic arrangement'. Such a 'changed' stance meant two things: IVF clinics can continue to recruit surrogates covertly, under the guise of providing IVF services; and manufacture 'altruism'. The surrogate ends up getting paid even less than what she was being paid earlier. Capital remains amongst the same people, as does precarity.

Altruism at the end of the day feeds into the kind of exploitation that commercial surrogacy engenders, as in essence the euphemization of commerce and intimacy is merely that: a myth. To think seriously regarding reproductive justice and

reproductive rights, the language of banning a practice has to be seen in consonance with that which is not being banned: here altruism. After all they seem to be two sides of the same coin.

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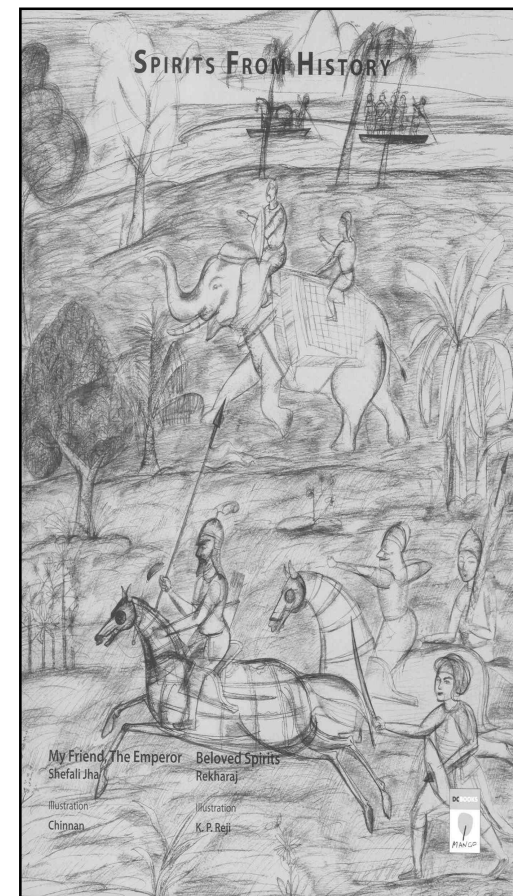
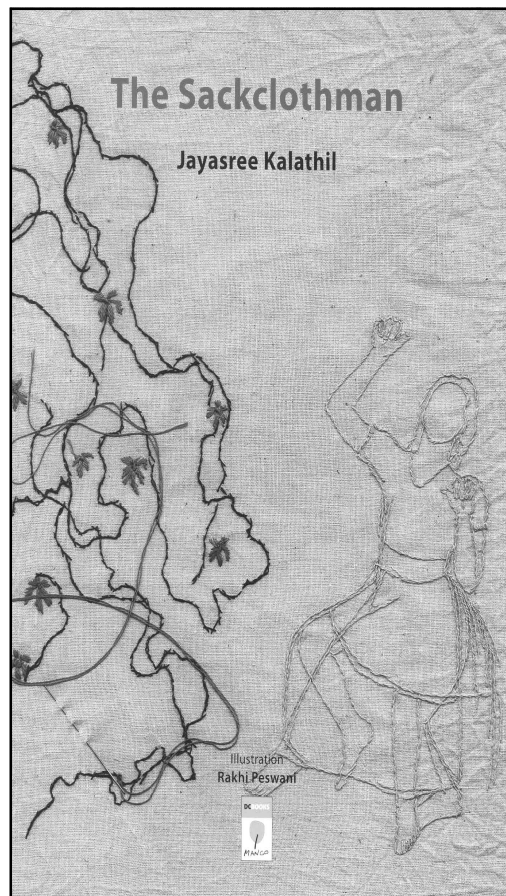
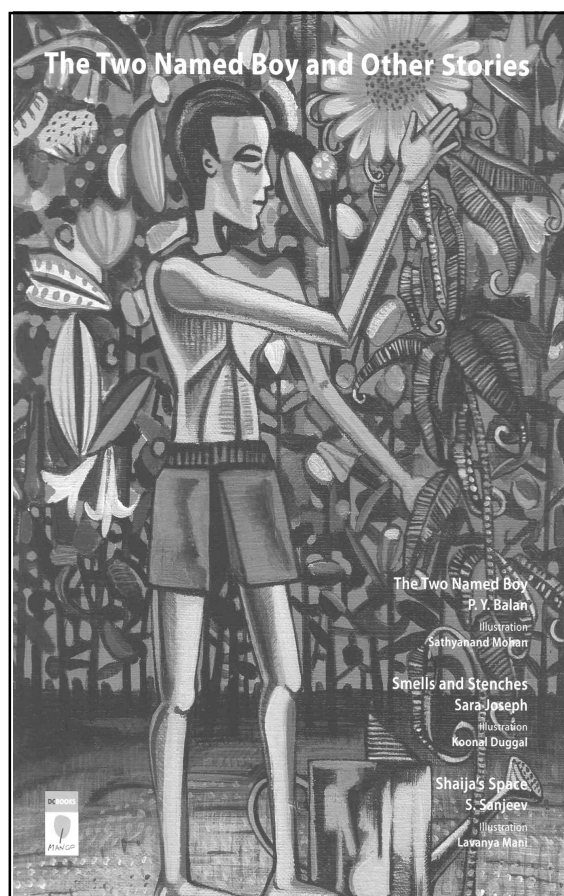
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Labour Dynamics and Heterogeneity of the Health Workforce in India: Cleavages Within and Without

■ Ramila Bisht and Shaveta Menon

The labour market characterizing the health care sector, as in most other sectors, is the result of the interplay of two independent economic forces namely, the supply and demand for health workers. Interestingly, these labour markets also determine the geographical location as well as employment settings of the health care workers (Scheffler,2012). In the low and middle-income countries, the focus of the health workforce policies has been on increasing the number of health workers to meet the needs of the population and on training them. However, the employment conditions are not in place to absorb the workforce, and hence there is a risk of increase in unemployment and wasting of resources (Sousa et al., 2014). There is no reliable data source giving the segmentation of the health workforce as half of the health care professionals work in the unorganized private sector (GOI,2018).

This change in the landscape of the health workers started from the last decade of the twentieth century. During this period new roles and occupations emerged to meet healthcare market demand for services (McPake et al.,2015). With a lessened stake of government and increased control of the private sector players in India, provisioning of health care was affected. Questions were raised on the accountability of the services provided and rising out of pocket expenditures in health. The change in the

nature of employment became more pronounced with the institution of the Structural Adjustment Program (SAP) which has been ubiquitous between 1980 and 2014; one of the major objectives of SAP was enabling market forces by withdrawing labour market regulations (Foster et al; 2019).

The direct effect of SAP was a reduction in subsidies to health services leading in turn to rapid decline in replacement and recruitment of regular staff in public health establishments (Peabody,1996). From the 1980s the growing skepticism about the efficiency of the public health sector in India, combined with increased questioning of the fraction of the health budget spent on the salary of the health workforce (which was around 80 percent of the total health budget) (Basu,2016) created a conducive environment to cut down on the government's expenditure on health and increase in investment by non-governmental agencies (GOI,1983).

A related phenomenon was the opening up of public health care to private investment and intervention. Casualisation of paramedical workers, hiring private sector doctors on contract and introducing public private partnerships for health programmes and institutions has grown alongside concomitant reduction in support to the public sector. New Public Management¹ accompanying SAP introduced reforms that heavily influenced the service specifications, purchaser provider

split, and contracts, creating internal markets within public institutions and systems (Vabo,2009). Worse, private sector involvement was made to appear as the vital saviour of the resource crunched public health sector, of which contracting was seen as one of the dominant tools in engaging the private sector in health care reforms (Raman & Bjorkman,2009).

Contract work segmented the labour market, dividing the workforce into permanent and non-permanent workers. The appointments of temporary health workers have been defended on the ground that hiring regular staff is a time-consuming process which compromises health care work (Basu, 2016). Contract labour is not homogeneous; there are different types of such labour. These include: fixed term contracts where the hospital administration directly pays the workers who are hired for a fixed term; daily wage workers who are hired and paid directly by hospital administration; contracting out where services are outsourced to a service provider and a second form of sub-contracting where workers are supplied by the labour intermediaries, who are paid by contractors and the hospital administration pays the labour intermediaries (Thresia,2016).

The implications of the market logic of contractualisation applied to healthcare can be felt at multiple levels. At the workers' level wage theft, improper working conditions and employment insecurity are a part of informal employment (GHW,2017). At the level of the health system, due to less skilled and less committed workforce the quality of services gets compromised resulting in poor health outcomes and loss of patients' trust in the system (Basu,2016). Also, poorly qualified and paid persons such as paramedics are hired which cuts the costs and maximises the profits for private sector, eroding the quality of care provided (Baru,2004). A study conducted in Chandigarh deduced that the contractual health workers are less satisfied with their jobs due to lower wages and absence of job security than the permanent workers. It recommended that the level of satisfaction has to be enhanced in order to increase the effectiveness and efficiency of health care services (Dixit, Goyal & Sharma,2017). Comparable observations have been made regarding the contract workers working for Tuberculosis Control Program in Mumbai (Bisht, 2020).

While the impact of economic restructuring on the intensification of informal labour markets in general has been recognised, the parallel

emergence of flexible labour markets created by new forms of the healthcare industry and services has received relatively less attention. Today, a vast array of casual, contract, temporary, part time healthcare workers, fill the lowermost ranks of the health services. The lowest cadre comprises the outreach worker known as Community Health Worker (CHW), Community Health Volunteer (CHV), Accredited Social Health Activist (ASHA), and is disproportionately composed of women. Today the concept of CHV has been pulled out of the old seventies' context of Rural Primary Health Care services, and adapted to a new privatised and NGOised context of health care delivery.

In addition, the health workforce is gendered and skewed mostly towards the nursing and midwife professions; in fact, the female health workforce outnumbers males by five times. Far fewer women are employed as physicians. On the other hand, the male physicians are almost five times in number than female physicians in India (Anand & Fan, 2016, p.15). Apart from being gendered, the class/caste character of this workforce has also been highlighted in the joint report prepared by WHO and Women in Global Health (2019).

Among the allopathic doctors there are some specialties in which women doctors continue to be underrepresented. According to the Association of Women Surgeons of India, out of 25,000 surgeons only 700 are women. The presence of women is largely concentrated around the "soft specialties" of Gynecology and Obstetrics, Pediatrics, Dermatology and Psychiatry. The branches of cardiologists, surgeons, anesthesiologists and orthopedic surgeons remain male dominated (Jain, 2018).

Nurses are largely employed in the private hospitals on contractual basis. The private sector guards itself against stipulations laid down in the Contract Labour Act by employing them for less than stipulated period and reemploying them through fresh lease of contracts (Nair et al., 2016). The lower wages and shorter contracts of nurses in the private hospitals might reflect the demand of the labour market for semi-skilled nursing professionals, who are hired to perform specific non-specialist tasks (McPake et al., 2015), thus maximising profits for the private sector.

As far as the lower rung of the workforce is concerned, there were 56,263 male health workers as compared to 2,20,707 female health workers (ANMs) in rural India in 2016. On the other hand, there were 12,288 male health assistants compared to 14,267 female health assistants (LHVs) in rural India in 2015 (GOI, 2018, p.226). Health assistants are entrusted with the task of supervising health workers; therefore, they stand senior to health workers in the hierarchical public health system (Ganguly & Garg, 2013). While it may appear that gender divisions are less pronounced in the health assistants' cadre when compared to the health workers' cadre, it needs to be noted that male health assistants have the responsibility of supervising a lesser number of male health workers when compared to the responsibility devolving on female health assistants. This is but one example of the disproportionate burden shouldered by one gender even when working in the same job cadre, female health assistants in this case.

Overall and across the country, with some minor variations in remuneration amounts,

the lot of the community health workers in India (mostly women) is characterized by increase in tasks and consequent responsibility, payment not being commensurate with responsibility and thus leading to undervaluation of their work and role in healthcare of the community. It is important to note that the majority of these women belong to lower class/caste or both, a significant reason also being that those from upper castes would rarely participate in such care work outside their houses.

Health being a state subject, there is considerable variation in pay *within* and *among* the women health workforce of the different states in India. For example, the ASHAs in Kerala are provided a minimum of Rupees 4500 under the nine head incentive as established by the state apart from a consolidated remuneration of Rupees 2000. Additionally, there is a very strong union to voice the concerns of the ASHA workers, which vehemently puts forward the concerns of workers when required – rarely seen in other states. Kerala however pays its Anganwadi workers (AWW) Rs. 10, 000 per month. Across states, AWWs in Maharashtra are paid Rs.7000 per month, while Haryana has raised their total honorarium to 11,400 per month, the highest in the country. Anganwadi *helpers* on the other hand, and everywhere, are paid half the amount of the Anganwadi workers although they also work full time six days in a week (Johari, 2018). Like most informal workers of the country, most of the work as well as the bulk of the workers themselves are not covered as 'workers' in official databases.

Heterogeneity of experiences of women health workforce: Some Vignettes

A study conducted in Gujarat found that the nurses in the private sector as well as those in temporary appointment in public sector are likely to be younger, from SC or ST groups and from relatively poorer and less educated households. Additionally, permanent workers in public sector earned 105% more than nurses in private sector despite having same qualification, years of work and of similar caste. Further, nurses in private hospitals and those on temporary posts in public hospitals were paid less than the minimum wages stipulated by Government of India. (Seth, 2017)

Another research on ASHAs from Manipur found that the irregular and meagre incentives given to ASHA workers resulted in pressures from their families especially husbands, who asked them to discontinue their work. So, they engaged in other economic activities, neglecting their professional roles. Further, within the community, ASHA workers constantly compared their role with the AWW who receive higher and fixed incentives. The study documented that a number of ASHA workers were politically appointed in the hope of getting a permanent job of AWW. Thus, discriminatory practices characterize recruitment even at the lowest cadre of health workers. The existing gendered notions of masculinity and femininity continue to affect the work environment of ASHAs, who are constantly rebuked for not taking care of their own families (Sapril et al., 2015).

Interestingly, having superior educational qualifications as in the case of doctors, doesn't change the way males perceive women health workers. In addition, the disclosure of work place violence may give an impression that women are intolerant and bad mouth unnecessarily. They suffer physical and sexual violence not only at the hands of their male counterparts but also from male patients and their attendants (Devasthali & Rege, 2012).

Thus, changes in the labour market and the reorganization of the health sector have led to irregularization of the health workforce. This has adversely impacted the capabilities and capacities of health workers, especially women who have been unable to explore their potential fully. The need of the hour is to create a robust health system which is responsive (Bisht & Menon,2020) and locates the health policies within these dynamics to chart out a clearer and comprehensive process to address the cleavages within the health workforce in India. Merely lamenting the rise and profit-orientation of the private health and healthcare sector without addressing the ills afflicting the public healthcare sector, in which the creation and retention of a decent workforce is central, is futile, to say the least.

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Endnote

1. New Public Management is the name given to the strategy to introduce privatized management strategies such as customer orientation, incentives, individual accountability, etc., to government bureaucracies. The aim is to make bureaucracies more businesslike. (Editors)

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ASHA- the Bearer of Hopes for Others but not Herself!

■ S. Ramanathan and Vasudha Chakravarthy

The National Rural Health Mission (NRHM) started in 2005 was meant to be an “architectural change” to ensure the primacy of the public health system. It promised an increase in health expenditure. It also foregrounded the role of the community in health programs¹. The engagement of all-female Accredited Social Health Activist (ASHA) was a part of this. The NRHM was perhaps a reaction to the neoliberal ideology, rooted in the Indian development paradigm since 1991². However, over the years, the influence of the neo-liberal ideology increased. The public health expenditure hardly increased³, and efforts at privatisation increased.

In this context, this paper explores the status of ASHA in the health system, and its impact on her, more so, during Covid-19. It also explores if her engagement has fragmented the health and nutrition services delivery, thus, limiting the workplace bargaining by other women frontline workers.

Part of the data for this paper is from a rapid assessment in five states, during the Covid-19, by the authors.

The Status of ASHA and its implications on her work and personal life.

The ASHAs are activists who interface between the community and the health system. They are chosen “through a rigorous process of selection”⁴ involving various community groups, institutions, and health officials. While how she is selected is known, it is not clear who engages her. Over the years, her role has evolved, and she is now responsible for technical and community health care functions⁵. ASHA nearly does everything at the frontlines of health^{6 7}. She is

nearly the extension of the formal health system at the community level⁸.

For her various tasks, she is incentivised. Over time, the number of tasks incentivised has steadily increased from six in 2005 to 38 in 2017⁹. ASHA is primarily incentivised for the outputs such as institutional delivery and less for the processes¹⁰. Other than ASHA, no one in the health system is paid based on performance. The incentivisation of ASHA is an effort to use market principles in public health and monetise health services. The incentives are also a reflection of the health system priorities. While the incentive for sterilization is Rs 1000, the case detection of leprosy is Rs 250.

To earn her incentive for say institutional birth, ASHA will have to persuade and/or accompany a mother. In other words, to earn an incentive, the ASHAs may have to work variable and long hours. Thus, while potentially, she can earn incentives for several

tasks, she, at best, can complete only a few routine tasks, limiting her earnings. There are reports of ASHAs chasing bigger incentives than the lesser ones. Most ASHAs, on average, receive monthly incentives of Rs. 3000-4000, for routine and recurrent activities¹¹. Often, these are delayed.

That ASHAs work within deeply patriarchal systems also has its implications. They must balance domestic and professional responsibilities^{12 13}, are discouraged and belittled by their communities, and often held accountable for health system failure^{14 15}. They face sexual harassment by other health workers and community members¹⁶.

The ASHAs are thus under constant pressure – at a (i) personal level, to balance domestic and professional responsibilities, while also seeking to earn as much as feasible¹⁷, (ii) community level, to ensure that relationships are maintained, and persons access services, and, (iii) health system level, to ensure that they fulfill their responsibilities and meet the desired outputs. The absence of a regular income, delays in receipt of incentives, lack of job security and career progression, and lack of adequate social support and grievance redressal mechanisms, all add to the pressure on the ASHAs.

The pressure of Covid-19 on the ASHA

These pressures increased during the current Covid-19 pandemic. Also, they got limited support from the health system.

In almost all states, ASHAs were engaged in the community-based response. Their roles ranged from undertaking community surveillance and surveys, accompanying suspect cases to health facilities, visits, and follow-ups with any positive or symptomatic

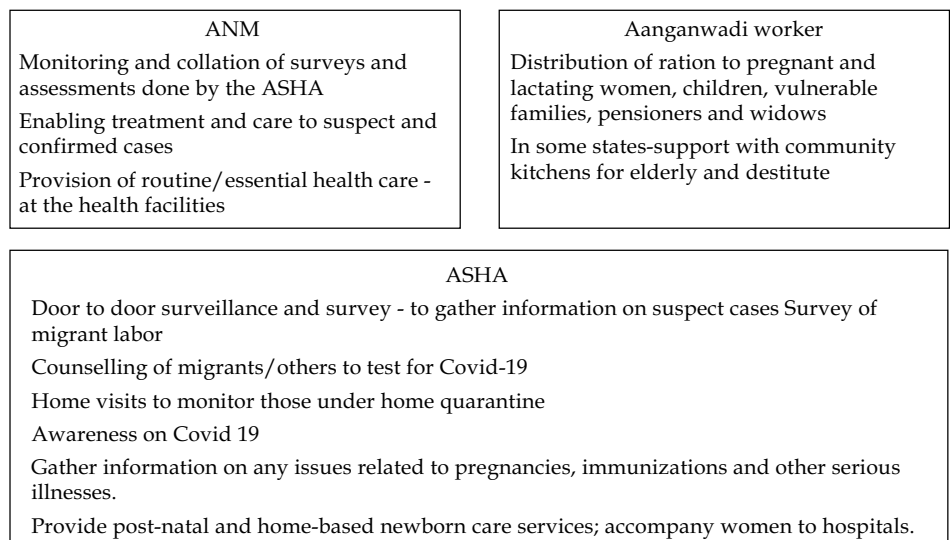


Figure1: Role of frontline workers in the Covid-19 pandemic response

cases, support with the establishment of local quarantine facilities, and enabling information and awareness on the disease. Among the three frontline workers, it is the ASHAs who have the most diversified role in this pandemic response. The Anganwadi workers and ANMs, who are employed by the nutrition and health systems, have more defined roles in enabling access to nutrition and primary healthcare, respectively (see Figure 1¹⁸).

There is primary reliance on the ASHAs, to lead and enable the Covid-19 response at a community level. They were often motivated to perform a 'noble' role for the country and the community, reflective of the gendered differentiation of work¹⁹. And, despite being not part of the system, and not being incentivized, at least in the early stages, ASHAs were in no position to refuse this.

While the ASHAs have been working on the Covid-19 response since February 2020, it was only in April 2020, after the media highlighted their concerns, the Ministry of Health directed the states to pay an additional incentive of Rs. 1000 per month from January 1 to June 30, 2020. This translates to Rs. 30 per day for the ASHAs to undertake their tasks in a potentially life-threatening environment.

The challenges, pressures, and struggles of the ASHA's, during the Covid-19 pandemic, as articulated by them²⁰ are as follows:

Working in a hostile environment – *"The pandemic has led to a state of fear and distrust among communities"* said an ASHA, leading to non-cooperation and abusive behavior. Instances of verbal abuse when the ASHAs undertake surveillance, refusal to share information, and non-adherence to advice were reported. In some states, ASHAs said that community members were not allowing them even to enter their houses, owing to fear of virus transmission!

"When we undertake surveillance and ask people if they are experiencing any symptoms; they abuse us and ask us why we come every day to ask for the same information" – ASHA, UP

"Even people who know us well, do not let us come into their homes. How do we provide them information on the virus and how do we monitor their behaviors when we cannot even talk to them properly" – ASHA, Bihar. In some instances, ASHAs faced hostilities from their families as well. Not all families were comfortable with the tasks they were

undertaking and the risk to which they were putting themselves and their families.

"The elders in our family berate us, saying that we may infect them" – ASHA, Jharkhand.

Lack of safety and personal protective equipment (PPE) – The tasks performed by ASHAs were categorized as low risk²¹, and they were recommended to use triple-layer masks and gloves as PPE. Approximately 50 percent of frontline workers surveyed in five states reported receiving PPE²². Differential availability and distribution of PPE was reported, with priority being given to ANMs and those in health facilities and check-posts. Insufficient quantity and irregular supplies were the challenges. ASHAs reported that they had begun using home-made masks, or dupattas/ scarves/ handkerchiefs to cover their face.

"We were given masks once earlier; now we have our home-made masks. We don't have any gloves or sanitizer" – ASHA, Odisha.

"We have been given soaps and not sanitizers. How are we expected to use soap after every house visit, when people don't even let us come in?" – ASHA, Uttar Pradesh.

"We are working in the field without any safety gear or masks. We have bought the sanitizer for our safety. The least the Government can do is provide us with such basic amenities." – ASHA, Bihar.

Workload and role management – ASHAs said that they were overworked, managing the Covid-19 response and following up with routine cases of pregnancy, childcare, and emergencies if any. Multiple orders and their revisions added to the confusion, leading to a lack of role clarity, and the services to be provided. Besides, they had to manage and balance their domestic responsibilities, as well.

Delay in receipt of incentives – 87 percent of the ASHAs surveyed in Jharkhand, 30 percent in Uttar Pradesh, 89 percent in Rajasthan, and 45 percent in Bihar reported not having received their incentives and dues for the month preceding the survey (April 2020). While delays in receipt of incentives are almost the norm, in the current economic crisis, its consequences were dire.

ASHAs, across states, reported suffering from stress and anxiety stemming from the roles they undertook, with limited resources and support²³. They were concerned about the risk they were putting themselves, their families, and especially their children. Despite their

anxieties, they had to engage with and manage hostile communities in some instances; without necessarily knowing how to do so. The health system expected them to undertake these tasks, and in some instances, taunted²⁴ if they expressed concerns. Many said that they felt a sense of loss of dignity and respect!

"I stay and sleep away from my husband, children, and family, in a separate space. While it is difficult to do so, I do not want to risk them" – ASHA, Jharkhand.

Fragmentation of health and nutrition services delivery and antagonism among frontline workers

As mentioned above, engaging ASHAs was a part of the efforts to ensure that the community was "involved" in health care management. However, engaging 0.9 million informal ASHA workers helped dual purposes- it increased the workforce without a substantial increase in the wage bill.

The engagement of ASHAs also fragmented the health and nutrition services delivery. Before her engagement, ANM was dependent on Anganwadi workers (AWWs) for community outreach. With the gradual expansion in the role of ASHAs, the relevance of ANMs and Anganwadi workers, has, to an extent, minimized. It has led to antagonism between the frontline workers. A survey in Madhya Pradesh reported that 36 percent of the ASHAs said that AWWs did not cooperate, 35 percent reported that AWWs took away the JSY cases without informing them. The survey also mentioned that the ANMs resented the incentives paid to ASHAs and did not certify the payments²⁵. An ethnographic study in Rajasthan also documents the complex relationship between ANM and ASHA, with the power more vesting in the former. Between ASHAs and AWWs, who often are from the same village, there are instances of jealousy due to earnings²⁶.

ASHAs and AWWs are both informal workers. While ASHAs are incentivised, AWWs are paid an honorarium. By fragmenting the health and nutrition delivery, the State has perhaps ensured their continued informalisation. The antagonism between the two, may perhaps, also ensure that they do not combine for their rights. The ANM is a part of the formal workforce. However, with ASHA gradually being made to undertake many tasks, the bargaining power of ANM may have considerably reduced.

Conclusion

Engaging ASHA was part of the effort to make the community responsible for health care services. However, by keeping its accountability opaque, the health system has been extracting the labour of ASHAs to meet its needs at a very low cost. This extraction was starkly evident during the Covid-19 pandemic, where the ASHAs were pushed into the frontlines to manage it. Both in normal times and during the pandemic, the State has extracted a heavy price from the ASHAs. Besides, by engaging her, it perhaps also fragmented the health and nutrition services delivery, thus ensuring that roughly 3.3 million women workers (0.9 million ASHA, 1.28 million AWWs, and 1.16 helpers) would continue to be informal workers. Their informal status serves the State the dual purpose of reaching services to the lowest level at the least cost. However, while the State saves, the cost is borne by the women workers. The ASHAs, for instance, bear the burden of negotiating with their families, peers, communities, and superiors to earn their incentives. The cost that they incur in the process can perhaps never equal the incentives that they earn.

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Notes and References

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2. See Baru. R and Mohan. M. *Globalisation and neoliberalism as structural drivers of health inequities. Health Research Policy and Systems* 2018, 16(Suppl 1). <https://health-policy-systems.biomedcentral.com/track/pdf/10.1186/s12961-018-0365-2> (accessed on July 4, 2020).
3. See Sengupta, Amit. The health budget and neoliberal ideology. May 2013. <https://www.newsclick.in/india/health-budget-and-neoliberal-ideology> (accessed on July 5, 2020).
4. Selected from the village itself and accountable to it, the ASHA will be trained to work as an interface between the community

and the public health system. See About Accredited Social Health Activist (ASHA) <https://nhm.gov.in/index1.php?lang=1&level=1&sublinkid=150&lid=226> (accessed on June 19, 2020).

5. About Accredited Social Health Activist (ASHA), National Health Mission; <https://nhm.gov.in/index1.php?lang=1&level=1&sublinkid=150&lid=226>, accessed on June 22, 2020

6. As of January 2019, the ASHAs support health programs on maternal, child, and adolescent health, family planning, tuberculosis, leprosy, vector-borne diseases, non-communicable diseases, comprehensive primary healthcare, and drinking water and sanitation. Also, they are expected to conduct community engagement activities and participate in meetings at the village and block levels.

7. See also the update on the ASHA Program, National Health Systems Resource Centre, January 2019; <http://nhsrcindia.org/sites/default/files/Update%20on%20ASHA%20Programme%202019%20for%20Web.pdf> accessed on June 23, 2020

8. See also Roalkvam. S. Health governance in India: Citizenship as situated practice. *Global Public Health*. September 2014. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4166913/> (accessed on July 3, 2020).

9. R. Ved, et.al. How are gender inequalities facing India's one million ASHAs being addressed? Policy origins and adaptations for the world's largest all-female community health worker programme; 2019 Open Access

10. See GOI. ASHA incentives for routine and recurring activities. https://nhm.gov.in/New_Updates_2018/communization/Aasha/Orders_and_guidelines/Official_orders/ASHA_Incentives.pdf (accessed on June 25, 2020).

11. Ibid (vii)

12. Saprii L, Richards E, Kokho P, Theobald S, Greenspan J, McMahan S, et al. Community health workers in rural India: analysing the opportunities and challenges accredited social health activists (ASHAs) face in realising their multiple roles. *Human Resource for Health*. 2015;13(1):95.

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15. Dasgupta J, Velankar J, Borah P, Hazarika Nath G. The safety of women health workers at the frontlines. *Indian Journal of Medical Ethics*. 2017 Jul-Sep;2(3) NS:209-13. DOI: 10.20529/IJME.2017.043

16. Ibid

17. See also Padmini. S. The formal creation of informality and therefore, gender injustice: Illustrations from India's social sector. *Indian Journal of Labour Economics*. Volume 8. No.1. 2015.

18. This was the pattern observed in the five states that were surveyed. However, from the newspaper reports and other sources, it appears that this is largely the pattern across states.

19. See ILO. 2017. Improving Employment and Working Conditions in Health Services: Report for discussion at the Tripartite Meeting on Improving Employment and Working Conditions in Health Services, Geneva.

20. The rapid assessment in five states (Bihar, Jharkhand, Odisha, Rajasthan, and Uttar Pradesh) on access to health and nutrition services in rural contexts, was undertaken by Development Solutions, with support from Population Foundation of India.

21. MoHFW, Novel Coronavirus Disease 2019 (COVID-19): Guideline on rational use of Personal protective Equipment, issued on March 24, 2020

22. Ibid (xv)

23. Ibid (xv)

24. This is reminiscent of what happened during Ebola pandemic in 2014 in West Africa. see ILO 2017. Op.cit.

25. Prathush. S & Kavita J. Working together? Convergence and coordination related to the functioning of ASHAs in Chhindwara district, Madhya Pradesh (N.D). http://www.chsj.org/uploads/1/0/2/1/10215849/mpvs_brief_29-09-12_final_for_print.pdf (accessed on July 2, 2020).

26. See Gjostein D K. *Negotiating conflicting roles: Female community health workers in rural Rajasthan. A perspective on the Indian ASHA programme*. Thesis submitted for Master of Arts. University of Oslo. 2012. <https://www.duo.uio.no/bitstream/handle/10852/16278/MASTERxDKGJOSTEIN2012.pdf?sequence=1&isAllowed=y>

ASHAs: How the ‘Volunteerism’ of Poor Women Subsidizes the Indian State

■ Vrinda Marwah

Introduction

As care needs of populations around the world grow, the number and significance of care workers in society is also rising. Public social services in many countries, including India, have come to rely heavily on these workers (Razavi and Staab 2010). Frontline health workers are a type of care workers, who provide or connect communities with health services. However, despite the centrality of their work to public health – spotlighted by COVID-19 prevention and management efforts – they are not always classified as workers. India’s Accredited Social Health Activists or ASHAs, are a case in point. Appointed since 2005 as part of the National Health Mission (NHM), ASHAs are classified as community health ‘volunteers’. This almost one-million-strong, all-women workforce is paid incentives per-case and not salaries, and does not have the entitlements available to other public employees, like leave. How does the status of ‘incentivized volunteer’ impact women who are ASHAs? Feminist scholars have noted a worldwide trend of the feminization of obligation in which women are being made to work for development, rather than development enabling women to secure decent employment (Chant 2008; Swaminathan 2015). Here, I explore what this trend means in the everyday for women who are ASHAs in India.

Methods

I conducted a total of 14 months of ethnographic fieldwork in North India between 2017 and 2019. This included field observations with ASHAs across a rural and an urban block of Muktsar district, Punjab, as well as 60 interviews with ASHAs and 20 with

ASHA program experts. Because ASHAs are positioned as links between their communities and the health system, I followed ASHAs as they interacted on both these ends. I observed home visits, community-level campaigns and meetings, weekly immunization drives, as well as ASHA trainings, health department meetings, patient-servicing in hospitals, and protests by the ASHA union. From a list of all ASHAs in the rural and urban block, I sampled equal numbers of Dalit and dominant caste ASHAs for my interviews. The interviews used a semi-structured questionnaire, and lasted from 30 to 90 minutes.

Context

ASHAs are community women with at least 8 years of education, who receive 23 days of initial training and perform five key activities: home visits, community meetings, monthly meetings at primary health centers, outreach services in their communities, and maintaining records. The earliest recruitments of ASHAs in my field site happened in 2007 (rural) and 2014 (urban). Most women found out about the post through social networks, that is, through a state functionary who was related or otherwise close to them, like the sarpanch, ANM, AWW, or other ASHAs. The ASHA coordinator for Muktsar told me that turnover was high in the early years of the program: upper caste women had cornered these posts thinking they were regular government jobs, but began to drop out once they realized what the role involved.

ASHAs are appointed across rural India at the ratio of one ASHA per 1000 population, and increasingly also in marginalized urban settlements (Ved et al. 2019). In my sample,

the population serviced by rural ASHAs was 1275 on average, and a much higher 2860 on average by urban ASHAs. As per the requirement, all urban ASHAs in my sample had completed 10th standard, but not all rural ASHAs had completed 8th. Even the ones who met these requirements had to teach themselves how to read and write so they could maintain registers; this is a component of their work that has grown over time, and ASHAs often complained to me that they were doing 3 jobs: in the home, outside the home, and becoming literate.

ASHAs receive a fixed monthly honorarium from the central government (increased from INR 1000 to INR 2000 in 2018), which is paid against the completion of basic tasks like maintaining a register. Apart from this, ASHAs are paid through task-based incentives. The list of tasks for which ASHAs receive incentives began with 5 in 2005 and grew to 38 in 2017 (Ved et al. 2019). Some of these tasks are recurring monthly activities, while others are one-time campaigns. ASHA payments vary across states as different state governments contribute differently to the fixed or incentive component of their earnings. When I began my fieldwork in Muktsar, the average ASHA earned INR 2700 per month, which is roughly a quarter of the monthly minimum wage for a skilled worker in Punjab.

Findings

ASHAs are the only cadre of workers in the Indian state’s health department to have the unique occupational status of remunerated volunteers. I find that this status creates a systemic mismatch between the work and the pay of ASHAs. This occurs through three pathways that I identify below:

1. *The incentive payment system conceals the unpaid and underpaid labor of ASHAs*

Incentives exist for formal tasks that ASHAs perform, which are only the tip of the iceberg of labor that ASHAs do. ASHAs have to do vast amounts of informal labor to build up to their formal tasks. However, this informal labor is rendered invisible because it is not recognized/compensated as work. Here is an example from my fieldnotes:

On a humid September day, I was observing DPT and TT immunization at a village school in Muktsar district. It took one ASHA (Jaspreet), and two ANMs (Auxiliary Nurse Supervisors) from 10 AM to 2 PM to cover all the first, fifth, and tenth graders. Jaspreet, the ASHA, did most of the work of cajoling, grabbing, even lifting the younger kids, in addition to clearing up the room each time the ANMs were done administering the injections. When we were leaving the school compound,

Jaspreet joked with me that her duty is never over. She has been a rural ASHA for over 10 years now. She was at the school the day before, dropping off new registers in which the ANMs would make their entries, and she would have to be at the school the next day too, with a new supply of iron tablets. Jaspreet said of the schoolchildren, “*Some parents will bring them to me this evening. It is hard to move your leg after DPT, and there can be a rash after tetanus. So, they usually come home, asking why it hurts, and I will explain and I will give them paracetamol*”. This makes sense because the ASHA lives in the village, whereas the ANMs are in charge of several villages but live in the city. Jaspreet has spent at least three half days on the school immunization, but none of this is incentivized so she will not be paid for it.

For the formal tasks that are incentivized, payments are low and inconsistent. By being low, these payments reproduce a devaluation of care work. Moreover, ASHAs do not always receive the payments that are due to them. For instance, ensuring that women receive antenatal care is a routine ASHA activity. ASHAs are to bring pregnant women from their areas to the civil hospital for tests – ultrasound and hemoglobin – thrice in the course of a pregnancy. A lot of these patients are poor and non-upper caste, and oftentimes they are engaged in daily wage labor. As a result, ASHAs end up making many rounds of their homes before they can persuade these women to visit the hospital. Even when persuaded, women might not have anyone who can accompany them or pay for their passage, so ASHAs may offer to do both. Once in the hospital, the ASHA will walk the woman through every step, from cutting a slip to standing in line. After the patient has given blood, for instance, she will likely leave to do her day’s work. The ASHA will stay back to collect the reports at the end of the day, or return another day if the reports take longer, which they often do. The ASHA will then deliver the reports to the patient’s doorstep. At the end of the patient’s pregnancy, the ASHA will receive a sum total of INR 200 as the antenatal checkup incentive.

Even paltry payments such as this are not always forthcoming. One ASHA, for instance, was not paid her antenatal checkup incentive because the baby was stillborn. Another did not receive a postnatal checkup incentive because the baby was delivered in a private hospital instead of a public one. These are not legitimate reasons to refuse payments, but as the district ASHA coordinator pointed out to me, ANMs are sometimes genuinely confused about payment details. The list of tasks for which incentives exist is a shifting one;

activities may be added or removed depending on the priorities of the health department.

These anecdotes demonstrate that the incentive payment system, by way of both design and implementation, disregards a vast portion of labor that ASHAs perform, compensating them only for a fraction of their work.

2. The incentive payment system gives the health department leverage over ASHAs.

ASHAs are paid on the basis of a monthly report that is filed together with ANMs, who are their supervisors. ANMs sign off on the tasks completed by an ASHA for any given month, and how much the ASHA will be paid for that month is calculated by totaling the incentive for each of these tasks. The ability to validate these tasks and determine her monthly pay gives ANMs power over the ASHAs under her. This power is leverage for the health department, and can be used to make ASHAs do work that is outside of the tasks assigned to them.

During my time, I saw this leverage play out several times, in big and small ways. ASHAs find it difficult to refuse their ANMs. This can mean that ASHAs will make or procure tea for their ANMs every time they are conducting immunization, or that an ASHA with a two-wheeler will end up driving her ANM around at the latter’s whim. It can also mean that incentives that ASHAs have rightfully earned are withheld from them, so as to arm-twist them into doing work that is outside their purview. When the civil hospital in Muktsar held a vasectomy camp, ASHAs were told by their ANMs and senior staff (including the district family planning officer) that any ASHA who did not bring one or two men from her area for the operation would have her incentive for maintaining registers cut for the next six months. In some cases, this threat was carried out, till the ASHA union protested. When I had a conversation with the Lady Health Visitor (who supervises ANMs), she told me, “the pressure is all verbal, nothing is in writing, but this is how things get done”.

3. As volunteers ASHAs occupy a liminal position in the state

As volunteers, ASHAs are not treated by staff as one of them. If they complain about payment delays, they are reminded that they are doing “service”. The offhanded attitude to ASHA payments is not per chance. Because they are volunteers, many staff members imagine these payments are not a living or household wage for ASHAs, but rather, a form of petty, extra cash. However, most ASHAs in Muktsar are poor, SC or OBC women, with

low educational attainments. On account of their husbands’ unemployment or addiction, they are struggling to provide for their families. But this ‘neediness’ only serves to make them more exploitable by the state.

ASHAs’ liminal status in the state is evident in other ways as well. When ASHAs accompany women for a hospital birth, for instance, there is no room in the hospital assigned to ASHAs to rest/sleep in. As a result, they must lie alongside the patient, or on the floor by the patient’s bed. An urban ASHA, Kamla, told me that when a group of them asked for a room in the hospital, the in-charge told them, “we might not have place for you in the rooms, but there is always place for you in our hearts”. ASHAs’ liminality of status is justified using a gendered discourse of service. ASHAs are often told in meetings that they are the “backbone” of the health department. Not only does this claim not bear out in the practices of the health department, ‘volunteerism’ makes it difficult for ASHAs to claim their rights as workers.

Conclusion

The occupational status of “incentivized volunteer” is a defining feature of ASHAs’ vulnerability. It both naturalizes care as a gendered practice and institutionalizes its devaluation. If we care about gender equity, worker rights, and the quality of care that our masses receive, we must care for these workers whose identities as workers is systematically denied.

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Organized Informality: The Politics of Recruitment of Industrial Informal Workers in Durgapur

■ Sreemoyee Ghosh

Introduction

It was around summer 2010, I was pursuing fieldwork for my doctoral research in Durgapur, an industrial belt in the State of West Bengal. During the course of this ethnographic research I once asked a group of informal women workers the kind of work they do to earn their living. In an annoyed tone, they replied, “*garibra ja kaj korey tai kori*” (We do the work that the poor usually do). This remark, more than just revealing the class character of industrial informal work, propelled me to probe into why informal workers remain confined to a vicious circle of informality, poverty and deprivation, a concern that my doctoral research attempted to investigate. This paper is a part of my exploration (from 2009-early 2013) of this critical question in Durgapur of West Burdwan district of West Bengal. In this endeavour, I perceive informality from a political perspective, not just as an economic issue. Therefore, the chief focus of the study is on the politics underlying the development and persistence of industrial informality in Durgapur that has systematically marginalised and deprived labour of its legal rights and claims for justice.

Focus of the paper

Deploying David Harvey’s (2005) ‘capital accumulation by dispossession’ terminology, this paper demonstrates its working at the local grass-roots level in Durgapur. At the centre of this study are the informal workers who work in the micro and small-scale industries of Durgapur. These industries are formally registered but thrive because of the informalization of the labour process, a phenomenon instituted, and put into practice by the then CPI(M) government but which

practice is perpetuated by the current party in power, namely the Trinamool Congress.

While these formal units rely upon labour contractors for the supply of workers who are recruited on contract/temporary/casual basis, the more important focus of my thesis was in capturing the nexus between the entrepreneurs of these micro and small-scale industries, the local unit of the dominant political party, its trade union, and, the local state authorities. I wanted to find out how they together regulate the production, recruitment processes, and also determine the wage and non-wage components for labour recruited by them. In this context of organized informality, the poor workers, driven by their sheer need for survival, are forced to comply with the structural arrangement laid down by this regulatory network. By local level state I mean the local level administration that is in charge of labour welfare, namely, the Office of the Deputy Labour Commissioner (DLC), Durgapur. By political party, I refer to the CPIM, the ruling party of the State in 2009 when I began my fieldwork and its trade union, the CITU. Since 2011, Trinamool Congress replaced it as a dominant party.

Theoretical underpinning of the paper

The paper draws its theoretical intuition from the ideas of Karl Polanyi (1957) who argued that, even as the state played a vital role in the establishment and consolidation of market economy in 19th century Europe, it undertook repressive action vis-à-vis the workers to ensure that they did not engage in any kind of disruptive political action. Thus, he asserts that establishment of a *laissez-faire* economy is politically planned. In brief, it is a political, not a natural phenomenon.

The process of informal labour recruitment in Durgapur

Jan Breman (1996), on the basis of his extensive studies on informal workers in India asserts that the decisive factor in getting employment in the informal sector is personal contact which is institutionalized in the figure of the jobbers or labour contractors. This finding is equally true in my study area. The institutionalization of personal contact takes place in two ways- either through individual contractors or local level organizations of the CPI(M) and CITU. Both parties are interlocked in mutual collaboration and contestation while laying out and maintaining a well-planned arrangement of employment distribution; they actively negotiate with the entrepreneurs for the recruitment of local people to work in the industries.

In the rural areas, the zonal committee of CPI(M) maintains a roster of workers- both skilled and unskilled. The job seekers register their names in the local party office, which acts as a de-facto employment exchange or in other words, the local level party organization itself acts as a labour contractor to supply ‘unskilled’ workers to the industries. The individual contractors supply the migrant workers for skilled work from the adjoining states, namely, Bihar, Jharkhand and Orissa. Interestingly, the CITU branch within the urban jurisdiction of Durgapur Municipal Corporation (DMC) maintained that both skilled and unskilled workers were recruited through contractors; the latter contacted the local CITU office for labour supply. The union has made it obligatory that the hiring of one skilled worker must be accompanied by hiring of one unskilled worker as a helper. The work is distributed among the enlisted workers on the basis of a rotation system. During discussions, the workers referred to party initiatives in helping them to get jobs. Such party/union activism became obvious when, in the course of my fieldwork, I witnessed a party representative conversing over mobile phone with various industry managements one after another and accordingly instructing the workers to proceed to their work destinations. In brief, instead of a free competitive labour market, in Durgapur, what exists is a party-mediated informal labour market that nurtures a patron-client relationship between the party and the workers.

According to the local level administrators at the Office of the DLC, however, the entire recruitment process is based on an organized quota system. Each party has its specific quota to recruit its own candidates. The entrepreneurs corroborated the fact by

mentioning that the party which is at the helm of the State power, no doubt, enjoys a larger share in this quota system. Previously, it was CPI(M), now it is the existing ruling party, All India Trinamool Congress.

The politics underlying the labour recruitment process

The entrepreneur-party collaboration on the issue of labour recruitment implies that the local political power and the local capitalists have a strategic understanding in creating a kind of an enclosed labour market in the context of wide availability of cheap labour both from within and outside Durgapur. More importantly, it reveals that employment distribution among the local people is a politically rewarding function for the concerned political parties as it helps them in creating political support with electoral benefits. To elaborate, the well-entrenched party organization of the Community Party of India Marxist served as an effective grass-roots agent of the then Left Front Government of West Bengal to materialize what was in effect a neoliberal industrial policy. This arrangement enabled, on one hand, expansion of the informal employment – market, and, on the other, ensured livelihood to the workers among the population. This dual role of the party indicates that the state, or more accurately the regime of capitalism in the state, uses labour recruitment as a mechanism to mediate the tension between demands of democratic electoral politics and the interests of capitalists, particularly in the medium and small industries.

The informal labour market in Durgapur encompasses two categories of workers, namely, the ‘union workers’ who are supplied by the unions and the ‘owners workers’ who are the migrant workers, supplied by individual labour contractors. The party-mediated and the contractor-regulated labour markets are engaged in complex interactions, and their interrelationship often oscillates between collaboration and conflict. While the collaboration helps to maintain the structural arrangement for distribution of informal work, the conflict between the two often puts this arrangement under stress and strains. The local political leaders pointed out that sometimes the contractors bypass the party-mediated rules with respect to the supply of workers. The former alleged that the contractors collude with the entrepreneurs and supply workers-both skilled and unskilled, through their own networks. This trend is assessed by the local leaders as “unhealthy” because as a consequence, the party-mediated labour market comes under threat of loss of control over the recruitment

process. Correspondingly, its electoral interests are severely threatened. This brings the trade union in conflict with the contractors and the entrepreneurs. The entrepreneurs, however, welcome this conflict and use it to get rid of political activism of the ‘union workers’. As one entrepreneur remarked, “the political pressure reaches a point where the unions demand a reduction in the strength of ‘owners workers’ in order to accommodate the ‘union workers’”. These workers do not just disrupt the production process and the working of the ‘owners workers’ but pose a threat of politically mobilizing the latter. Moreover, they have to be paid every month even if they do not work. As a result, the burden of loss in production is to be tackled by imposing extra workload on the migrant workers. Consequently, in Durgapur, a desperate inclination to by-pass party-mediated labour recruitment process has resulted in an increased demand for migrant workers in the industries. The tussle between the local and the migrant workers caused by the economic and political stakeholders in getting jobs makes the informal labour market of Durgapur far more competitive that unfortunately augments uncertainty of livelihood.

This politics of capital accumulation that takes place through the above process of informal labour recruitment in Durgapur receives implicit support of the local level state i.e. Office of the DLC. The DLC Office maintains “law and order” or “stable employment generation” in the industrial informal domain by adopting a non-interfering standpoint vis-à-vis the contracts that are concluded between the unions or individual contractors, on one hand and the entrepreneurs, on the other. Our contention is substantiated by the fact that laws like *The Contract Labour (Regulation and Abolition) Act, 1970* and *The Interstate Migrant Workmen’s (Regulation of Employment and Conditions of Service) Act, 1979* that mandate maintenance of records of the contractual and migrant workers respectively, do not receive significant attention from the local level administration for implementation. While my ethnographic study found that in the DLC Office, the records of the registered principal employers and the contractors who have received licence are maintained, nevertheless, the seriousness and efforts of the local administration to properly implement this law was lacking. For instance, since the local party organization and its trade union itself acts as a labour contractor, the question of being licensed to operate as contractor was not raised by the DLC Office. Thus, the political actor overpowers the administrative responsibility of the state.

Similarly, according to *The Interstate Migrant Workmen’s (Regulation of Employment and Conditions of Service) Act*, a contractor who wants to bring in workers from another state, has to obtain a licence for such inter-State recruitment both in the originating state as well as a licence from the destination state. Besides, obtaining a licence from the destination state is a precondition for the contractors to apply for the second licence. But the predominant practice in Durgapur is that the contractors who supply migrant workers are not officially registered. This leads to deprivation of the migrant workers from the benefits guaranteed to them under this Act. From the worker to the contractor, therefore, it is a nested zone of deregulation and informality. The indifference of the local level state to implement this law has thus strengthened the process of labour marginalization in the sense that the local administration has left the matter of issuing licence to the originating state from which the contractors supply migrant labour.

Conclusion

The investigation into the politics of the process of recruitment of industrial informal workers in Durgapur reveals that the poor informal workers can have access to jobs only through certain social and political channels, which renders them subservient. The nexus between the party in power, the entrepreneurs and the local level state sustains an organized structural arrangement, wherein the desperation to get jobs pushes both migrants and the locals to abide by any terms and conditions specified by this network. This whole process of labour recruitment produces a vicious circle of informality, marginalisation and poverty, and in addition acts as a strategy to foster divisiveness between the two categories of workers in Durgapur. Ultimately, what thus actually matters is the accumulation of ‘capital’, political and economic, by riding piggyback on informally employed labour.

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Losing Strength and/or Relevance? Trade Unions and Neo-liberalism

■ Deepita Chakravarty

Labour market institutions, both formal and informal, have long played an important role in the theoretical as well as empirical discussions about the performance of the industrial sectors of the developing nations.¹ It gained specific attention in the era of the opening of the generally closed economies of the developing world with an aim of 'getting prices right', i.e., the era of neo-liberalism. Trade unionism has been looked at as one of the major labour market institutions creating hindrance in gaining required labour flexibility to ensure efficient outcomes. Empirical facts, on the contrary, suggest that trade unions, to a certain extent, facilitate the change in the production organization ensuring flexibility. Oliver E Williamson in his seminal work in 1985 did see trade unions as one of the major institutions of capitalism that ultimately helped facilitate production organization. And as early as in the 1940s Ross conceptualised trade unions as the maximisers of self interests through maximising the insiders' benefits in the main. In this paper we look at some such empirical questions in the context of West Bengal (WB), a state well-known for its militant trade unionism but, which also has had the unique experience of having a 34 year-long uninterrupted left political regime (1977 to 2011).

The article is based on primary data from a survey conducted in 2009. Senior bureaucrats, management, trade union leaders at the state as well as at the unit levels of different affiliations and workers of different categories of selected firms were interviewed. Further, detailed information has been collected from

13 firms of different sizes from various sectors.

Decline in Manufacturing Sector in West Bengal

At independence, industrially advanced WB, started experiencing decline aggravated by the dislocations of the partition that severely affected the trade links between East and West Bengal. The most important industries in this region, jute and tea, were badly hit. After independence, two sets of central government policies—freight equalisation for coal and steel and emphasis on import-substitution—dealt a heavy blow to Bengal's industry. This was aggravated by the confrontationist strategy on the part of the state—followed since the beginning of Congress rule and carried on by the Left Front Government (LFG)—which prevented it from lobbying pragmatically to obtain licences and industrial investment. Further deterrents emerged in the form of a radical trade unionism backed by leftist intellectual support, and central government disinvestment in the infrastructure sector in the mid-1960s, which badly hit WB's engineering industry and precipitated large-scale unemployment in formal manufacturing in the state. In this context, WB manufacturing firms tended to get locked in a low-productivity-low-wage segment of the spectrum of products dominated by the small firms, largely in the informal sector. Large-scale entrepreneurs started farming out production to the small-scale units in general and the informal sector in particular. Thus, they could avoid the militant trade unionism while simultaneously grabbing the incentives enjoyed by the small

firms. Consequently, unorganised manufacturing in the state emerged as an important sector. Against this backdrop of industrial decline, the LFG came to power in 1977 and continued the important agrarian reforms programme initiated by the Congress, and subsequently backed by the Panchayat Raj Act of 1973.

As a result of prolonged neglect, large-scale formal manufacturing was nearly reaching stagnation by the late 1980s. Also continued decline in traditional industries led to a significant retrenchment. Alternative job prospects were bleak as no new industrial initiatives were coming up in the formal sector. Consequently, it has been argued that the working class became vulnerable in the hands of the industrialists and that this made trade unions agree to such terms of settlements in the 1980s which in the past would have been unthinkable. The significant decline in the number of strikes since the left government assumed office and the spectacular rise in the number of lockouts—when all other Indian states showed a decline in both, do give support to the vulnerability hypothesis. Second, the continuous defeat of the LFG in the urban areas made it clear that the government was getting alienated from the urban middle class, particularly the unemployed educated youth aspiring for industrial jobs (Chakravarty 2008). In this context the already liberalising Indian economy took a more specific turn towards an altered macro-economic regime involving the dismantling of the licence Raj and opening of the Indian economy to the world market in a significant way. While there was initial hesitation on the part of the then ruling party in the state, the liberal line within the party and the state could see the positive implications for industrial development of a) the abolition of licences on the one hand and b) removal of the Freight Equalisation policy on the other. Forgetting its age-old opposition to private capital, the state welcomed foreign technology and investment through its new industrial policy of 1994. Despite these changes in the policy initiatives and an apparently tamed workforce not much improvement took place in the performance of the formal manufacturing.

Institutional Stickiness: The Case of Trade Union Behaviour

How far could the 'vulnerable workforce' be a factor in determining the non-performance of large-scale industry giving way to the

informal sector? (Ahsan et al. 2008) highlights that the use of contract labour is increasing in formal manufacturing the country over. WB was no exception. All the firms in this study show not only an extremely high share of contract employment but also an increase in the share within a short span of two years. The management of one large firm that had experienced the sharpest increase in the contract labour, maintained that in the years 2007–08 and 2008–09, a large number of permanent employees retired through the voluntary retirement scheme and that the firm never filled those vacancies as they could conveniently transfer production responsibilities to easily available contract/casual workers at much lower wages. Some of the workers of the older firms surveyed maintained that the practice of not filling up of the permanent workers' positions in the organised manufacturing units had started since the early 1980s. Few new permanent jobs had been created in the worker's category in subsequent years. Moreover, frequent declaration of lockouts in different sectors, mainly jute, led to the absolute decline in the formal workforce in the state.

Our field data also suggest that the majority of the large and medium firms farm out their production considerably. A Kolkata-based, high profit-making, boutique cum manufacturer–exporter of traditional Bengal weaves, is a case in point. Around 60 per cent of its products are acquired from numerous weavers spread across villages of Bengal. Farming out production in traditional weaves is easier than in other sectors as numerous skilled weavers in this craft are available in clusters of interior Bengal. When asked how trade unions reacted to this work organisation especially as the firm is Kolkata-based, the management responded that it was successful in keeping trade unions at bay since its inception in 1997, particularly through a strategy of keeping the number of permanent workers as low as possible. The altered stance of the then ruling party in not being as supportive of its trade union organ since the mid-1990s helped in this regard. While ancillarisation as against vertical integration has a long tradition in Bengal industry, particularly in engineering and transport, organised large-scale purchase of traditional Bengal weaves especially for exports is a feature which came along with the liberalisation policies of the 1990s. Moreover, improvement in road conditions in the post-1994–95 period also made distant villages

accessible and permitted tapping of unexplored possibilities.

How did the trade unions look at these facts? This question assumes particular relevance as it was found that even the contract workers were members of the same unions. How was it possible that the larger firms could increasingly farm out a substantial amount of production when their production capacity was not 100 per cent utilised? Does this mean that the workers' unions had become so weak as to accept the situation passively? And this seemed facilitated by the changed attitude of the state in favour of business in the post-1994–95 period. But, then, why was it not possible to get the work done by the permanent workers by utilising the existing capacity of the firm? Is it then the lack of infrastructure again that decided the outcome or was it something more? All the large firms indicated that while all other aspects of regulation improved in the state, the question of labour rigidity remained the same when it came to the shop floor. This is interesting as E.A. Ramaswamy notes:

Ascendancy to political power appears to remove the last vestiges of radicalism from Marxist unions. CITU has undergone a veritable metamorphosis in Bengal since 1977 when their party came to power. The new policy of moderation and responsibility received formal blessing from party and union ideologues in a union conference in 1980. The 'gherao' which terrorized managers in the sixties and seventies is no longer in evidence. The number of strikes has declined sharply. (Ramaswamy 1999: 5)

According to the management, the militancy in the bargaining process diminished significantly as the patronage from the state leadership in favour of pressure tactics was later unavailable. However, the unions still bargained quite adamantly for higher wages but were not insistent on filling up vacancies or making the contract workers permanent. Obviously, the trade unions prioritised insiders' interests (permanent workers') over the outsiders' (non-permanent workers).

The management maintained that the union leaders always resisted any workload increase even for a short while under emergency especially in the private firms. Though the contracts between the permanent workers and the management were always a written one it was difficult to make it complete in every sense considering all contingencies explicitly.

The permanent workers often took advantage of this incompleteness. Consequently, management of all large firms mentioned that they were wary of taking the permanent workers in confidence to promote technical modernisation on a large-scale. In the changed scenario of post-1994–95 industrial policy the senior leaders of the ruling party's trade union CITU were seeking to improve the work ethic among permanent workers. But the management felt that the permanent workers had become much too habituated not to work and to work only on overtime payment. In Bengal, 'overtime' virtually meant extra payment without extra hours of work. In the post-1994–95 period while senior leaders at the state level asked cadres and unit-level leaders to cooperate with the management at the shop floor, the workers continued to resist passively. The management recorded a significant increase of absenteeism among permanent workers in later years. Could the permanent workers, accustomed to wages without work, start working sincerely at the instance of the party whip?

It may be pertinent to note here that according to some business associations even under the altered dispensation of the LF regime, labour was seen to believe in exerting a new kind of indirect or surreptitious pressure; the 'new' motto appeared to be 'go slow on work'. The management often did not even have the discretion to reject an application for leave. Let us remember that all the large units surveyed, either have, or were establishing, units outside the state. They felt that it was not viable to establish a technologically more-advanced unit in the state because of the passive resistance from the permanent workers. Rather it was easier to continue some less technology intensive work and farm out production to the informal sector and if required employ contract workers at a much cheaper rate.

Firm level workers and the unit level leaders understood that if the management could reduce the production cost by way of hiring contract workers or farming out production partly to the informal sector, it would be easier to bargain for better wages. This finding does question the hypothesis of 'vulnerability of organised workers' directly. Further, in order to be confirmed, a worker needs to work on contract or casual basis in a firm. Trade unions play a very important role in this process of confirmation. According to management the union leaders understood that it was thus easier to control the workers

as long as they were on the contract/casual basis. Incidentally, Sarkar (2006) argues that people in WB depend on the political parties in a fundamental way for their livelihoods. It is their vulnerability which compels them to do so. Further, an independent trade union leader mentioned that in some cases the permanent workers (and the unit level leaders) themselves practiced subcontracting with the existing contract labourers and did some other business during the office hours, safeguarded by the representative union. As the contract/casual labourers were also union members, the question of union membership and membership levy did not pose a real problem for the union as contractualisation was perpetuated.

What was the rationale from the contract workers' point of view? The management of the large units, irrespective of market-orientation, maintained that they could not recruit contract workers directly. It is through the union that they got their contract workers. Moreover, according to some independent trade unionists and ex-employees, the unions also played a role in determining the renewal of the contracts for these workers. These direct reasons apart, there was a more subtle one as well. Working in close association with the local party, the trade union leaders often helped the retrenched workers to get a rickshaw or an auto-rickshaw licence or even a job as helper in the construction sector. A patron-client relationship thus developed especially with proliferation of jobless workers. Incidentally, CITU had the largest membership in the construction sector which is basically unorganised. In another context, Bardhan et al. (2009) showed how this patron-client relationship helped CPI(M) to remain in power in rural Bengal till recently.

However, a basic question remains: why did a highly centralised party like CPI(M) or its mass organisation CITU let the unit level workers behave this way for so long? First, the union leaders could not put pressure on the firm level units as there was ample chance of losing support and consequently the vote bank. Recent political experience seems to confirm that the CPI(M) was in no position to risk its voter support. There was a second related reason. A retired personnel manager of Firm K noted that the large-scale retrenchment of the organised workers in the state and the increasing number of lockouts had created a sort of distrust about the CITU leadership among the workers. This may partly explain

why the main opposition to the LF, the Trinamool Congress (TMC) started gaining strength in both urban and rural areas since the mid-1990s.

TMC came to power in 2011. Unfortunately, nothing changed much in the industrial scenario. While the large unions have lost almost all importance, different industry-based syndicates emerged, run by the local goons and backed by the party in power, that continued the rent seeking practices. Hardly any new investment has taken place in manufacturing in the last few years.

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Endnote

1. 'This paper is largely based on an earlier paper of mine: Trade Unions and Business Firms: Unorganized manufacturing in West Bengal', 2010. EPW. 45(6).

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Fixing Responsibility: Informal Workers' Struggles in Tamil Nadu

■ K. Kalpana

Since the 1980s, neo-liberal capitalism has been re-configuring the relationships between state, capital and labour in ways that researchers are still mapping. The Fordist model of industrial production in advanced capitalist countries has given way to post-Fordist production systems, in the process, loosening and disrupting state-mediated social contracts between the classes who own the means of production and those who do not. Globally, researchers have documented an informalization of labour relations and a corresponding market regulation rather than statutory regulation of the labour market, with companies seeking flexibility by sub-contracting and/or hiring contingent, casual, contract, part-time and even home-based workers (Standing 1999; Prugl 1999). Studies from India too have suggested a move from formal to informal employment even within the formal sector and shifts from factory-based to non-factory or cottage and commission-based production (Bremar 2001; Srivastava 2012; Swaminathan 2012). In a larger political and economic context in which the balance of power has been steadily moving away from labour, including organised sections with histories of collective bargaining, this paper explores how economically disenfranchised sections of workers have fared with respect to defending their rights and entitlements.

Agarwala (2013) classifies workers at the bottom of the class structure in India as the 'informal proletariat' comprising both contract and regular workers in informal enterprises as well as contract workers in formal enterprises. Mostly unskilled, the absence of formal contracts with an employer renders their work insecure and unregulated, making them vulnerable to exploitation. This paper

discusses the case of two occupational groups of the informal proletariat situated in the lowest rungs of the labour market in Tamil Nadu viz., (a) women workers in a neighbourhood-based food-making industry and (b) salt pan workers of both sexes.¹ What distinguishes both industries is their reliance on sub-contracted production as a significant way to reduce costs and avoid responsibility for their workforce.

'Hidden' employers, 'invisible' workers: The case of the Appalam industry

Appalam-making is well-established in the low-income, working class neighbourhoods of Otteri and Perambur of North Chennai. The industry employs 1500–2000 workers (mostly women) in approximately 75 appalam-making units that have, on average, between 5 and 20 workers per unit. In the 1950s, entrepreneurs from Kerala set up the Appalam business in North Chennai and supplied the product to local shops. With the rise of branding and marketing over the last few decades, companies like Bindu, Ambika, Maan Mark and Popular Appalam, who export the product and earn foreign exchange, have established themselves as principal market players. From the 1950s to early 1980s, the companies directly owned and managed production units and employed male workers, who were paid monthly wages. The watershed change took place in 1981, following a trade union-led strike demanding higher wages. After the strike, the companies began to adopt piece-rate payment and to selectively recruit women workers, seeking to avoid labour legislation and the payment of minimum wages. The entry of women, the introduction of a piece-rate system of wage payment and the exit of men, who sought

higher paid employment elsewhere, took place alongside the emergence of unit owners as an intermediary layer between the company and the worker.

If the workers were overwhelmingly women, the unit owners were mostly men or in some cases, a married couple. The unit owner received the raw material (sacks of flour) from the Appalam company, rented a house (also the owner's living quarters), recruited women from the neighbourhood, supervised production and delivered the finished Appalams to the commissioning company. Appalam-making was a preferred employment option among women who sought paid work, while juggling responsibilities of domestic work and child care. The proximate location of the units, flexibility of timing and the kin-based social ties that run through these units have facilitated women's negotiations with household and community patriarchies, thereby sustaining women's access to paid employment. Women workers brought their infants to the workplace, often rocking a cloth-made cradle while kneading, cutting and flattening the dough, adding dried flour to enlarge the pieces and laying them out to dry. In these neighbourhoods, Appalam-making has been a means for destitute women to survive with dignity and for single women to be the primary earners of their families.

The convenience of a locally-available employment opportunity has not prevented women from participating in collective bargaining to demand greater accountability from their primary employers, the export-revenue earning Appalam companies. In the year 2013, the Centre of Indian Trade Unions (CITU)²-led Appalam Workers Union filed a case in the labour court asking that the companies provide employee benefits to the Appalam workers and acknowledge their (sub-contracted) relationship to the units that receive the flour and supply the Appalams to them. The companies, in turn, claimed that they were wholesale traders who merely bought Appalams from the 'real' manufacturers - the unit owners - and that they could not, therefore, be held responsible for the workers' welfare. The case has stagnated in the labour court. And yet, the trade union has managed to secure yearly wage increases for the Appalam workforce. The Appalam Workers' Union formally presented a petition (proposing the wage hike) at the start of each year, with the implicit understanding that a strike would follow if the proposed increase was not accepted. The years that big work strikes took place were 1981, 2013 and 2014. Around 75–90% of the women workers usually participated in strike

calls, excepting those who could not survive without the daily wages earned from Appalam work. Interestingly, it was the smaller companies that initiated the wage increase, forcing the hand of the larger players in this matter. The small companies feared a strike more as they would lose their market (retail and other shops) to their larger, well-established competitors. With tonnes of stock in their go-downs, the big companies could bring their crates to the shops even during a period of strike. The competition between small and large players has worked to the advantage of the Appalam workforce by providing the trade union a leverage with respect to wage negotiations.

Will the real employer please stand up? The case of the salt pans

The *Tamil Nadu Udal Uzaippu Thozilalar Sangam* (Manual Workers Union), a non-party affiliated union, has been organising workers in the bottom rungs of the informal sector since the 1990s. In the Marakkanam town panchayat of Vizhupuram district of Tamil Nadu, the union has mobilised about 1000 (of the total 5000) workers who toil in the salt pans of the coastal panchayat. About 75% of union members are women and the majority of workers are from the Scheduled Castes. While the salt pans of Marakkanam belong to the Central Salt Commission, the actual production of salt was leased out to private companies, who further sub-contracted to 'sub-contract agents' who determined the wages of workers. The agents, in turn, used brokers (locally known as *kangani*) who recruited, supervised and paid the workers. Each *kangani* had about 200 workers (mostly hired as families) reporting to him. Given the layers of intermediaries, the Manual Workers Union felt that it was futile to seek worker-related benefits or amenities from the lease-holding private companies. For its part, the state government refused to entertain any demand from the union, stating that all responsibilities belonged to the jurisdiction of the Central Salt Commission.

Faced with this situation, the Manual Workers Union took up the issue of drinking water supply in the salt pans with the Salt Commission when it found that workers were drinking salt water to quench their thirst during the hot summers. Eventually, the Central Salt Commission allotted funds for water supply after repeat agitations and petitions by the union. The local panchayat was required to contribute to water supply in the salt pans by arranging for a mini-water tank and pipelines. After the pipelines were laid, a ward member of the panchayat allegedly blocked the scheme's implementation. Other demands placed by the

union before the Central Salt Commission include unemployment insurance for the workers for nearly 6 months in a year (due to the monsoon and water stagnation in the salt pans), the construction of a crèche and a resting room for workers in the salt pans and financing the medical expenses of workers and the educational expenses of their children. The Manual Workers Union has repeatedly petitioned the Marakkanam Town Panchayat to provide housing facilities for the workers under various state and central government schemes targeted to the Scheduled Castes. In an area in which the local temple legally owned the land on which the salt pan workers and their families lived, the union held protests demanding that the temple provide homestead land titles that would allow workers to inherit and pass on land to their descendants.

In summary, the struggle to ameliorate working conditions has been a long haul for the Manual Workers Union and complicated by the presence of multiple tiers of governmental actors – local/ panchayat, state and centre as well as private employers. Notably, most of them have refused responsibility for the well-being of the workers, while those who have initiated some measures have done so half-heartedly and only after pressure tactics from the union and the workers on the ground.

A thorny road ahead

The two cases discussed here highlight the difficult terrain that workers and their unions must negotiate when casual workers with no employment guarantee seek pro-worker welfare measures and improvements in workplaces rife with sub-contracting arrangements. The greater success of the Appalam workers in securing wage hikes may be attributed to the prevailing situation of market competition, rather than state intervention. Trade union organisers declared that strikes and agitation were the only way forward given that the state-managed labour courts exhausted their resources and demoralised labour organisers and workers alike. However, collective action strategies were not costless. As a woman Appalam worker put it, "We sat on strike for a month to get an increase of 50 *paise* [for every 100 Appalams made]. How hard it was and how much our families suffered that month!". The state-level leaders of the Manual Workers Union found it a challenge to keep the local branch leaders in the salt pans motivated, when the workers turned apathetic, often showing up late for branch-level meetings or not at all. The office-bearers of all 15 local branches in Marakkanam were women and male workers participated in far fewer

numbers in agitational action. The indifferent responses of the local authorities to workers' demands and the unions' difficulty in pinning responsibility on any single authority has not helped matters either.

Both the cases discussed in the paper testify to the potential of collective organizing and agitational action by workers to wrest some concessions notwithstanding precarious livelihoods and irregular employment contracts. Nonetheless, what appears stark in both cases is the marked reluctance of neo-liberal state regimes to hold to account 'hidden' employers who evade responsibilities and seek always to pass the buck, whether they are private actors or state bodies. Where the state has clearly allied with capital and refuses to disturb or challenge production relations that incorporate labour on distinctly unfavourable terms, the road ahead for the informal proletariat and its allies is a thorny one.

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Endnotes

1. The paper draws on field studies involving interviews with workers and their trade unions conducted between 2014 and 2018.
2. The CITU is a nationally prominent trade union, whose leadership is affiliated to the Communist Party of India (Marxist).

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