

Capitalism, Inequality and Labour in India

Jan Breman takes dispossession as his central theme in this ambitious analysis of labour bondage in India's changing political economy from 1962 to 2017. When, in the remote past, tribal and low-caste communities were attached to landowning households, their lack of freedom was framed as subsistence-oriented dependency. Breman argues that with colonial rule came the intrusion of capitalism into India's agrarian economy, leading to a decline in the idea of patronage in the relationship between bonded labour and landowner. Instead, servitude was reshaped as indebtedness. As labour was transformed into a commodity, peasant workers were increasingly pushed out of agriculture and the village, but remained adrift in the wider economy. The cohorts of this footloose workforce are exploited when their labour power is required and excluded when they are surplus to demand. The outcome is progressive inequality that is thoroughly capitalist in nature.

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Jan Breman
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The photographs were taken by Ravi Agarwal in Surat city and its rural hinterland, and are reproduced with his permission. Together with 100 more, they illustrate the text of *Down and Out: Labouring under Global Capitalism*, a colour photobook edited by Jan Breman & Arvind Das (text); Ravi Agarwal (photographs); Brinda Datta (design). New Delhi: Oxford University Press/Amsterdam: Amsterdam University Press, 2000.

Preface

This study is a synthesis of my research on labour bondage in India between 1962 and 2017. The focus is on what has happened since the country became a sovereign state in the middle of the twentieth century. To find out how labour entrapped under duress fared and how it was conceived, classified and treated over several decades it is imperative to trace the imprint left by colonial rule and the anti-colonial fight on the working classes in the lower realms of what was essentially a peasant economy and society. Moreover it is impossible to understand the phenomenon of human bondage in the twenty-first century without contextualizing the problem as part of a globalized economy dictated by the interests of capital at the expense of labour.

In the first part I relate how politics and governance have dealt with the issue of bondage. Most official committees or panels set up to document the labour regime recommended solutions to the problems they identified. However, first the colonial state and then the post-colonial government by and large soft-pedalled, ignored or squarely denied that bondage was practised – and now, with equal subterfuge, that it continues to exist. I rejected this as a blatant misapprehension and backed my comments up with empirical investigations I conducted in Gujarat; what's more, I argued, bondage had a much wider prevalence. For more than half a century my reports on the plight of the working poor remained at odds with the acknowledged wisdom as recorded in the annals of the state.

The second part examines the history of labour bondage in West India. The tribal peasants who tilled plots in a rudimentary fashion and shifting cultivation on the central plain were dispossessed by bands of settlers in the unknown past. The colonists established themselves on the caste-tribe frontier – the site of a clash of civilizations throughout the subcontinent of South Asia – as owners of the land. They opened the land for regular and sedentary cultivation and upgraded themselves in the evolving Hinduized hierarchy by attaching displaced members from tribal communities in servitude to their agrarian property. This was the origin of the *hali* system that officials of the East India Company found widely

practised in the southern districts of Gujarat when they set up administration in the early nineteenth century. With the abolition of slavery a few decades later bondage was legally construed in the imperialized domains as a labour contract, voluntarily engaged into on receipt of an advance, with the obligation to repay the debt incurred or – if that turned out to be impossible (as it always was) – to work it off. Debt bondage was thus the operational device that enabled a dominating caste-class of landowners to secure a workforce at the lowest possible price – the provision of bare livelihood – and spare themselves the demeaning task of tilling the fields.

I have analyzed agrestic servitude as it operated in the precolonial and colonial past in terms of patronage and exploitation. The intrusion of capitalism into the rural economy towards the end of the nineteenth century changed the nature of the master-servant relationship. A process of commodification eroded the features of patronage but intensified the exploitation of the workforce, which now took the shape of an agrarian proletariat still locked in bondage. In the growing resistance to colonial rule the leadership of the Congress movement decided to condone the practice and prioritize the interests of the peasant elite. Rather than blaming the main landowners for the continued imposition of unfree labour, they accused the landless of seeking security in attachment. The mission launched by the disciples of Mahatma Gandhi in south Gujarat to civilize the tribal castes subordinated instead of emancipated them. The struggle for national freedom was waged with the promise to return land to the tiller, but the landless remained as dispossessed as before. The state of pauperism in which I found them in the early 1960s was not the cause but the consequence of labour bondage.

The third part describes and analyzes events in the last half century, roughly from 1970 onwards, on the basis of fieldwork carried out in my old as well as new rural and urban research locales in Gujarat. The *hali* system as it used to operate in the past had disintegrated, but its disappearance was not due to any action taken by the government. It was the outcome of the casualization of employment, the replacement of farm servants with daily wage labour, which was available throughout the year in ample supply. The landowning and landless households had distanced themselves from each other and a noticeable feature of their falling apart was that the farmers did not allow the labourers they engaged to live on their premises. The majority of landless households were resettled in colonies on the outskirts of the village. Driving them out emphasized and visibly demarcated the social marginality of the bottom class-caste in the countryside.

Of great significance next was the increasing mobility of rural labour. The land-poor and landless, a very high proportion of the agrarian

workforce without viable means of production, were pushed out of their habitat for lack of regular employment. The off-and-on search for work elsewhere was caused to no less extent by the influx during the peak season of the annual cycle of migrants willing to work for lower wages who proved also to be more pliable than local labourers. Better connectivity widened the scale of the labour market but the migration, both intra-rural and rural-urban, has remained circular in nature: workers depart, only to return after a season or at the end of a short working life. By now it was clear that the long-awaited transformation from a rural-agrarian to an urban-industrial economy and society would not take place. The planned transition to a welfare state with formal conditions of employment for the country's swelling workforce made redundant in agriculture was aborted. Instead of coming to enjoy the comfort of regularity, security and protection of a standard labour contract backed up by state-provided benefits of social welfarism, India's working masses were downgraded and subjected to exploitation as well as exclusion.

Labour is made mobile but exists in a state of immobility. Short of financial means for livelihood in the slack season, as well as for marking life-cycle events, such as weddings and deaths, the castes-classes at the bottom of the economy are forced to sell their labour value in advance to contractors or jobbers who, as agents of rural and urban employers, recruit them for a price lower than the going market rate. The workers leave home in debt and are supposed to work off the cash received while the wage balance they have earned is settled only on termination of their engagement. I have labelled this modality of employment neo-bondage, a form of unfree labour that thrives on the accumulation-dispossession syndrome made manifest in a mercantile-financialized type of capitalism. Indebtedness is the operational device of a political economy that has assumed hegemonic power in a globalized setting.

In the wake of Independence a civilizational heritage of engrained inequality did not dissolve but continued to exist in what was shaped as a growth strategy. Planners and politicians promised redistribution of the gains and an end to exclusion from mainstream society, but abysmally failed to deliver. Dispossession turned out to be a stretch on the road leading to disenfranchisement. Loss of property rights led to displacement, footlooseness and of late also to increasing disuse. Driven by neoliberal doctrine, informalization and circulation of labour have led to progressive inequality. A new class of nowhere people has emerged, forced to drift between what passes for 'home' and a place of 'work'. Putting the urban economy at the top of the agenda has greatly aggravated agrarian distress. The labouring poor are pushed out of their rural habitat because they lack regular employment but are not allowed to

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settle down in the places they go to find work. Locked away in difficult-to-access, jerry-built and unregulated shelters, they are well-nigh invisible in the countryside or on the city's outskirts. In their marginality they seem to pose no threat to the vested interests of capital and its agents. Dispossession has reached such a stage that for a substantial segment of the labouring poor self-employment, the remedy propagated in neoliberal doctrine as the way out of fast-growing worklessness, is made impossible. Driven by politics and governance 'the Gujarat model of growth and development' is a frightful one. Under the Hindutva banner this scenario has in the last few years been scaled up as a recipe for the country at large. Both in design and practice its policies discriminate against the people written about in this treatise and keep them beyond the pale of inclusion.

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