

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.

JAN BREMAN is Honorary Fellow of the Institute of Social History, Amsterdam, and Emeritus Professor at the University of Amsterdam. He is the author of many publications, including *Footloose Labour: Working in India's Informal Economy*, for which he was awarded the Edgar Graham Book prize by SOAS.

Capitalism, Inequality and Labour in India

Jan Breman

University of Amsterdam



CAMBRIDGE
UNIVERSITY PRESS

Cambridge University Press & Assessment
978-1-108-71227-9 — Capitalism, Inequality and Labour in India
Jan Breman
Frontmatter
[More Information](#)

CAMBRIDGE UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom
One Liberty Plaza, 20th Floor, New York, NY 10006, USA
477 Williamstown Road, Port Melbourne, VIC 3207, Australia
314-321, 3rd Floor, Plot 3, Splendor Forum, Jasola District Centre, New Delhi - 110025, India
103 Penang Road, #05-06/07, Visioncrest Commercial, Singapore 238467

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning and research at the highest international levels of excellence.

www.cambridge.org

Information on this title: www.cambridge.org/9781108712279

DOI: 10.1017/9781108687485

© Jan Breman 2019

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2019

First paperback edition 2022

A catalogue record for this publication is available from the British Library

ISBN 978-1-108-48241-7 Hardback

ISBN 978-1-108-71227-9 Paperback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication, and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

Contents

<i>List of Figures</i>	page vii
<i>Preface</i>	ix
<i>Acknowledgements</i>	xiii
Part I Labour as Codified in the Annals of the State	1
1 The Country Liberated	3
In the Wake of Independence	3
Phasing out Bondage?	8
Waiting for the Welfare State	14
A Redundant Workforce Stuck in an Agrarian-Rural Economy	18
In Agonizing Reappraisal	20
2 An End to Servitude?	26
Rural-to-Rural Labour Circulation	26
Tying Down Labour Again	30
Urbanization but in an Informalized Setting	35
Progressive Inequality	39
The Rejected Appeal for a New Deal	42
<i>Achhe din</i> or How to Frame the Policy of Exclusion	47
Welfare and Workfare for Coping with Indigence	51
Covering up the Dismal Plight of the Labouring and Non-Labouring Poor	56
Part II Destitute in Bondage	61
3 The Commodification of Agricultural Labour	63
Bondage Re-examined	63
Exploitation and Patronage	65
Colonial Interference	70
Commodified in Debt Bondage	74
Agrarian Servitude Reaffirmed in the Struggle for National Independence	81
‘You Are Men, You Are Not Dublas’	86
4 The Class Struggle Launched and Suppressed	94
Turning a Page in the Class Struggle	94
From Weapons of the Weak to Concerted Action?	98
	v

vi	Contents	
	The Congress Remedy, a Faked Solution	102
	Declaring the Halpatis Free	107
	Waiting in Vain for Collective Action	111
	Surplus Not of Land but of Labour	115
	Unfree in a Free Land	118
5	The Gandhian Road to Inclusion in Mainstream Society	125
	Obstacles on the Path to Self-Mobilization	127
	Organized Action: Gandhian Approach	132
	Halpati Seva Sangh: Its Organization, Programme and Impact	134
	Political Leadership	136
	Interaction with Halpatis	138
	Part III The Political Economy of Boundless Dispossession	145
6	The Agrarian Question Posed as the Social Question	147
	The Demise of <i>Halipratha</i>	147
	Deepened Exploitation due to Loss of Patronage	152
	Falling Apart	158
	A Mutual Distancing	162
	Exploited and Excluded	165
7	Labour Migration: Going Off and Coming Back	173
	The Shape and Pace of Mobility	173
	Labour Circulation	178
	Neo-bondage	183
	The Annual Trek to the Brick-kilns	185
	Harvesting Sugar-Cane	190
8	Indebtedness as Labour Attachment	200
	Relentless Dispossession	200
	The Notion of a Built-in Depressor	205
	The Agricultural Mode of Production Debate	208
	Dealing with Insolvency	215
	The Absence of a Regular Payday	222
	Wage Theft	228
	Part IV Conclusion	235
9	Capitalism, Labour Bondage and the Social Question	237
	The High Price of Indebtedness	237
	The Rationale of Bondage in a Labour-Redundant Economy	240
	Compliance and Resistance	243
	Dispossession and Accumulation	249
	In Denial of the Social Question	258
	<i>References</i>	266
	<i>Index</i>	279

Figures

2.1 Pushed out of the rural economy in search of urban work	page 32
2.2 Migrants remain footloose and without proper shelter wherever they go	36
2.3 Although prohibited, child labour remains widely practised	49
6.1 Mechanized transport has enlarged the scale of the rural labour market	156
6.2 Escaped from parental control, vagrant children team up with each other	167
7.1 A short break after a long night’s work and six more hours to go	177
7.2 Power-loom workers rotate in twelve-hour shifts on and off work	179
7.3 Men, women and children are engaged in brickmaking day and night	187
7.4 Sugar-Cane cutting is arduous work, made worse by lack of protective gear	193
8.1 Diamond-cutting and polishing – the wage paid is marginal to the value added	231
9.1 Diamond workers on a wildcat strike protest against a wage cut	247
9.2 Office of a trade union organizing Dalit workers in the informal economy	255

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

x Preface

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

xii Preface

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.

Acknowledgements

For Ilse, who shared my moments of sorrow and grief while I was engaged in the work that led to this book. The people who allowed me to get close to the work they do and the life they lead, while being denied the decency, respectability and dignity which should qualify their human existence, remain anonymous. I also owe a debt of gratitude to colleagues, companions and comrades – too many to name over more than half a century – who enabled me to write the story as it is.