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Guest Editors' Introduction

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Guest Editors' Introduction

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Guest Editors' Introduction

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This special issue addresses labour standards in India in the context of globalisation. It takes its cue from the contradiction between the 'race to the bottom' that can be the consequence of globalisation, and the international agenda for improvement in labour conditions which aims to create 'decent work' for all.

Against the backdrop of the general processes of deregulation, informalisation and flexibilisation – which are well documented in India – this collection of articles addresses some of the major policy debates regarding labour and labour standards in India, and combines this with a range of detailed, fieldwork-based studies of labour relations and labour standards. It starts out by analysing the relationship between, on the one hand, the international labour standard agenda and the private sector CSR agenda and, on the other hand, policy debates and initiatives in India. Among other things it is argued that the financial crisis, in unexpected ways, might have opened up space for policy debates regarding state interventions for a 'social floor' in areas such as social security and food security.

The focus then shifts to the impact of such general developments on actual labour practices on the ground. The fieldwork-based articles deal with different aspects of the segmented labour markets in India, e.g. labour markets for bonded labour and casual labour markets. They cover issues such as agency and everyday struggles from above and below; migrant labour, both within the context of own villages of origin and also within that of the migrant labour markets and, in some regions, the impact of a 'social floor' and tightening labour markets on labour standards.

Together the articles depict a number of different but related trends in labour regulations and labour standards in India; they demonstrate the agency of labour and capital and the impact of state policies on this. For scholars of labour relations in India this is of obvious relevance, while for scholars of global labour relations this constitutes, we believe, an important in-depth study of the interplay between international economic processes and international agendas of labour regulation and labour standards, both at national level and with regard to actual labour relations.

The issue also provides food for thought for wider labour studies discussions. A core debate in the recent issues of this Journal concerns the extent to which labour studies are characterised by 'false optimism' – a point made forcefully by Michael Burawoy who argues that this is the case and that, instead, the starting point should be 'uncompromising pessimism'. Underlying this are differing views on the relative importance of exploitation, commodification and national versus international struggle – in part due to whether the point of departure is taken from Polanyi or Marx, in part due to different tactical and strategic views on labour related struggles today.

We will return to the contribution of the present special issue to this debate below. First

the main contributions of the articles of this special issue will be analysed along four axes: informalisation and social regulation of labour; nuances and even contradictions in contemporary trends of labour standards; labour struggles; and labour regulation by the ILO, Government of India and through Corporate Social Responsibility.

Informalisation and Types of Regulation: Government, International, Corporate and Social

The ongoing process of informalisation and flexibilisation of labour is widely acknowledged (see for example Bowles and Harriss 2010, ILO/WTO 2009). Not only is the share of informal labour very large – according to various estimates, informal employment comprises one half to three-quarters of non-agricultural employment in developing countries – but also an increasing number of poor people depend on informal employment to earn a living.

Instead of raising labour productivity, employment and wages as predicted by the trickle-down theory, global market imperatives, economic growth and trade openness further accentuate the production of informality. Foreign direct investment targets cheaper social cost of labour. Global commodity chains add new forms of external shocks. Liberalisation policies create incentives for firms to cut costs. Outsourcing has become an essential means of reducing costs for the corporate sector while transferring risks and labour management down the commodity chain to a variety of producers spanning from large scale factories paying scant attention to labour rights such as in China, to informal units employing informal labour and even to putting-out workers and the self-employed who are, essentially, also part of the working class.

India illustrates the contradictions of current globalised and neo-liberal economies well. India has experienced sustained economic growth over the last two decades, and yet the quality of employment in the non-agricultural sectors continues to deteriorate. While informality has always been a dominant feature of the Indian labour landscape, survey data and case studies show a continued expansion of its informal economy over the last decades with now (in 2004-05) more than 92 percent of the workforce in informal work.[1] Furthermore, as shown by Srivastava's article in this volume, 'the formal is becoming informal in a variety of ways'. Srivastava's article, drawing on recent labour market statistics, gives a very clear macro picture of the current labour landscape in the Indian economy, highlighting three major features. Firstly, the informalisation of what would have been regular employment in non-agricultural work in an earlier context. This suggests that boundaries between formal and informal are increasingly blurred and 'the concern with decent work has to be based on analysis of labour conditions in *all* forms of employment' (Srivastava, this volume). The second major feature is the revival of self-employment and the incorporation of petty production, especially by female homeworkers, in value chains. The feminisation and precariarisation of the manufacturing workforce, observed as early as the sixties in different parts of the world and drawing on the 'comparative advantages' of a female workforce – namely its cheapness and docility[2] – continue today. The third feature is an increased labour flexibility achieved through the geographical mobility of labour which, at its most poorly paid and exploitative, ties seasonal labourers into neo-bondage.

So, the labour market in India is growing, as are informalisation, self-employment and putting-out work. The fact that the labour market is growing means that the Indian case runs counter to statements such as Burawoy's that 'exploitation is becoming the privilege of the few' –

a position which appears to be based on the presumption that exploitation is concentrated in the formal sector, or that only certain kinds of informality are exploitative (Burawoy 2010, 2011: 308). This is not the case and it is even less the case if one agrees that not only classic wage labourers (formal and informal) but also those who depend indirectly on the sale of their labour power though petty commodity production (be it part of a subcontracting chain or not) are exploited (Bernstein 2007).[3]

The growth of exploitation shaped by informalisation processes in India has been aided and abetted by government through active informalisation policies from the 1990s onwards. The government has been less active in the area of pro-worker labour market regulation and labour protection. As argued by Lerche in his contribution to this volume, the Indian government is not seriously interested in regulating the informal labour markets, in spite of government initiatives such as the recent ILO approved Indian 'decent work country programme'.

This leaves the field open for privatised regulation through corporate social responsibility, limited however to export industries. As Mezzadri argues in her contribution to the volume, under such circumstances the corporate social responsibility agenda with its voluntary but internationally privately regulated 'codes of conduct' has a certain intuitive attractiveness as a 'better than nothing' solution. Studies such as De Neve's from the Tiruppur garment export hub in south India point out that even though CSR only has an impact on conditions of work amongst main exporters, it does indeed have an impact in such factories (de Neve 2009). Mezzadri's conclusion is more negative. Based on a detailed study of the garment export centres of Delhi and Bangalore she concludes that it is not 'codes of conduct' but 'codes of practice' that are the organising principle of garment production. In practice garment producers seek to maximise profits through control of labour and labour costs even when this clashes with international codes of conduct. They have informalised labour; in Delhi though the use of seasonal migrant labour in factory production and extensive use of homeworkers; in Bangalore through the de facto informalisation of a near-permanent, mainly young, female workforce in large scale production units. Codes of conduct are, in fact, as ineffective as national legislation. As for domestic markets, in India they still evade ethical codes.

Nevertheless, ILO-related labour discourses and also possibly CSR may have some influence in more roundabout ways. Lerche shows that a pro-labour agenda akin to ILO's decent work agenda is now propagated by labour-related social and political activists in India. The impact that this has had on labour is discussed below in more detail; here it suffices to point to the agenda-setting influence of the international labour discourses. It is also well known that employers have become adept at hiding their extreme cases of undercutting international standards such as hazardous child labour or putting-out work from labour inspectors (Mezzadri, this volume; Venkateswarlu 2003).

One type of process which shapes work and conditions of work in a much more immediate way is that of *social* regulation. The case study-based articles of this special issue highlight both the diversity of informalisation and the workings of such social regulation processes. Social institutions such as caste, class and gender shape both the access to and the conditions of employment. As already demonstrated by a number of scholars,[4] not only do practices of social discrimination persist, they also structure and feed accumulation processes, leading to a 'growth-discrimination nexus' (Ghosh 2011). Capital accumulation is both shaped by and constitutive of social and geographical discrimination.

Social regulation does not mean that labour follows a pre-determined path, nor is it unchanging over time. Social interactions and processes shaping labour relations tend to evolve highly irregularly, depending on local circumstances and specific periods in history (Harriss-White 2003). The nature of social regulation varies greatly from one sector to another and from one region to another, relating to both strategies of capital and of labour. Employers are showing an extraordinary ability to use the social structure in ways that suit the organisation of their production. As for labour, insofar as formal guarantees are non-existent, unions for informal workers are extremely rare and labour is hyper abundant, using informal mechanisms to access and secure employment is also in their best (short-term) interest.

This is also part of Mezzadri's argument. Echoing the large body of literature on the on-going feminisation of the manufacturing labour force she finds that also in India women are moulded into a cheap and docile labour force. They are considered an ideal workforce by the larger industrial units which characterise the garment industry in some parts of India, especially the south Indian metropolis of Bangalore in the state of Karnataka. However, the author also shows that women are not the only vulnerable workforce segment targeted by the garment industry. Whilst women represent a growing proportion of the workforce in Bangalore, the Delhi garment industry relies on male seasonal migrant labour coming from the poorest states of North India. The Delhi sector is less based on large product runs and relies on skilled labour and therefore, seen from the point of view of manufacturers, is best fragmented into small sub-contracting units. The flexible, malleable workforce suits this organisation of the production. In addition, parts of the production are outsourced to even cheaper, homeworking, artisanal families in villages hundreds of kilometres away from Delhi.

Looking at the organisation of construction camps in Hyderabad, in the south Indian state of Andhra Pradesh, Picherit highlights the extent to which labour markets are fragmented along the lines of geographic origin, caste and class of the labourers. Picherit agrees that labour fragmentation is a deliberate strategy used by employers and intermediaries who aim to prevent labour mobilisation. However, he highlights that it is also a result of the strategies of labourers. Rooted in the structure of their villages of origin, drawing on political relations from home, specific caste groups (here the Gollas from Wanaparthy *taluk*) have managed to build exclusive migration streams and created their own employment niches. Faced with particularly fierce competition for jobs, workers have, over time, forged an identity of being hardworking and docile. They constantly play on this in order to convince recruiters and employers while also making an effort to preserve and sustain this picture of themselves.

Similar processes of migration are observed in brick kilns in north Tamil Nadu (Guérin et al., this volume) and in the construction sector in Bangalore (Pattenden, this volume). In addition to caste – which, as elsewhere, is a key structuring factor – the authors point to the role of village economies and eco-type systems in the making of migration channels and their fragmentation.

The vital though ambiguous role of labour intermediaries is also highlighted. For employers, resorting to intermediaries offers a cost-effective solution to recruiting, managing and controlling labour and the intermediaries become instrumental in organising a harsh labour regime for them. In turn, workers rarely take the risk of migrating independently. Workers need intermediaries to find an employer who is willing to recruit and they also need them in order to find a place to live. Workers also need intermediaries to fend off harsh competition from other workers, and for protection from everyday difficulties and police harassment (Guérin et al., this

volume; Picherit, this volume). Intermediaries are unavoidable figures because of the lack of government or union organised labour regulation and due to the lack of access for labour to basic rights in the workplace.

Last but not least, in some cases debt is instrumental in regulating and securing labour. Two case studies – brick kilns in Tamil Nadu and construction in Bangalore – illustrate the new forms of labour bondage that Srivastava refers to in his macro picture. Here again debt appears to be an excellent way to secure labour and limit the risks for both employers and workers, as described at length by Jan Breman.[5] For capital, the main purpose of bonding labour through debt is to control, cheapen and discipline labour power. For labour, not only do workers need advance lump sums to cope with the slack season, to deal with health problems and possibly to engage in more advanced consumerism, as we shall see below, but wage advances also act as a job guarantee. However, the ensuing tie-in severely impacts working conditions and significantly reduces wages. It also locks workers into debt traps and limits their mobility, preventing them from leaving for other sectors which could offer better labour standards (Guérin et al., this volume). This further reinforces the fragmentation of the labour market.

Labour Standards: Contradictory Trends

The case studies also explore the nuances and contradictions in contemporary trends of labour standards. There are several ways to assess labour conditions. The ILO would use its 'decent work' standards which, while quite vague, do refer to labour rights listed in core ILO conventions on labour standards, pay, social security, rights of unions etc. The decent work agenda sets the bar a good deal lower than the full set of ILO conventions does, and formal sector labour in proper labour contracts are likely to have better conditions of work and pay than proscribed by it. On the other hand, for informal labour 'decent work' is, at best, a distant goal far removed from their actual conditions of work. For that reason, in order to assess actually existing labour conditions for informalised labour, it is useful also to compare existing practices with the regional or national averages and with development over time. This is reflected in some of the case studies here.

Heyer argues that labour and living standards have improved for labourers in the Tiruppur region in the south Indian state of Tamil Nadu. This had happened both within the dominant knitwear industry and in other sectors and despite the absence of government or union based labour regulation. Drawing on thirty years of longitudinal data, she observes significant improvements in terms of housing, education and access to healthcare, as well as in terms of labour standards. Agrestic bonded labour and child labour in agriculture, both prevalent in the 1980s, have disappeared. Real wages have significantly increased. Relationships with employers, very oppressive in the 1980's, have considerably evolved, leaving room for negotiation. Labour standards in the villages as a whole have improved although they are still not 'decent' in an absolute or 'ILO' sense, with long working hours and relatively low pay. This development, she argues, has been conditioned by an improved bargaining power of workers in the area. This, in turn, is based on increased availability of less lowly paid work due to local industrial growth and due to the development of a strong Tamil Nadu specific social policy.

In the same vein, Pattenden observes significant improvements over the last decade in the labour bargaining power of a group of construction working circular migrants of the also South Indian state of Karnataka back home in their village: working days have been shortened,

wages have risen and are paid more promptly, and workers can afford to avoid harsh employers. This is accompanied by a marked decline in discrimination, unpaid labour and levels of dependence on the dominant class for credit; as well as the development of more horizontal credit relationships.

The ambiguities and contradictions of labour circulation are also emphasised. All the case studies observe that migration significantly changes the nature of relationships in the areas of origin, but that basic iniquities are preserved and sometimes reinforced. Differentiation among the labourers might be because of their initial physical and demographic endowments or because of contingent factors such as illnesses, mortality or weddings (Pattenden, this volume). Differentiation also takes place between castes: the relative ascent of the Gollas is possible because they are able to differentiate themselves from Dalits such as Madigas (Picherit, this volume). Differentiation also takes place between villages, and here eco-type systems appear to play a significant role (Guérin et al., this volume; Pattenden, this volume). In all the cases, the few who enjoy proper upward mobility are the labour intermediaries, possibly small landowners, and they are exclusively male. These three case studies also make the important point that, generally, socioeconomic and political conditions in the areas of origin shape the nature and intensity of circular migration.

These conditions also shape the outcomes of this type of migration. The cases show that processes of fragmentation, marginalisation and high levels of exploitation at work and in the work-related (migrant) setting are entirely compatible with elements of economic mobility, integration and socio-political change. However, these more positive developments take place foremost in the villages of origin. The contrast is stark between improvements in the villages of origin and the severity of working and living conditions in the workplace. Picherit describes in detail the extreme vulnerability and low profile of Golla labourers in their Hyderabad workplace. This contrasts with the way they behave when they return to their villages. Here they use their migrant status to negotiate better positions both in local micro-hierarchies and in local politics, in order to gain social recognition and access to resources from development schemes. More than their monetary gains, which are rather scarce, they 'capitalise on their experiences in Lalapet by way of their self-confidence, their body language, the language they use and their involvement in local affairs' (Picherit, this volume). Similar contrasts are observed with brick kiln workers (Guérin et al., this volume). The hard work, the confinement and the harassment they endure during the six months of brick moulding does not prevent them from proudly investing their scarce gains in the village, both in agriculture – still valued among Dalits in the villages of this micro-study, in spite of the well documented low returns from land in India today – and in ritual or social events and consumption. Pattenden on the other hand emphasises that even though migration changes the nature of relationships in the areas of origin, pre-existing iniquities are preserved. And despite higher earnings in the workplace, it should still be recalled that the migrant labourers work under very poor conditions and standards and with no availability of social security.

The emergence of consumerism among the working poor is another source of contradiction. This reflects the improvement of living standards and purchasing power, one could argue. On the other hand, access to (if not actual ownership) of some durable goods such as a mobile phone is a virtual necessity for migrant labour today (Breman 2010). Modern consumer goods reflect increasing social needs, not inclusive growth. Moreover, when aspirations grow more than incomes, the quest for consumption translates into willingness to

accept working conditions that are even worse than before in order to meet the new needs. This is the core argument of Guérin et al.'s article. It explores an apparent paradox: how is it that there is a greater involvement of the less worse-off labourers from the dry areas in brick kiln labour when, after all, this work still entails their neo-bondage? It is that labourers are involved in debt-interlocking at least partly because changing lifestyles necessitate increased spending which can only, in their specific situation, be achieved through still larger advances? If so, we have an attenuated form of neo-bondage arising not only from asymmetrical bargaining power, seasonality and a lack of options in the pursuit of a livelihood, but also from the labourers' growing financial need for larger advances – even though their bargaining power increases and they are able to negotiate greater space for themselves in the villages of origin. As a result, and paradoxical as it might be, Guerin concludes that increasing aspirations for equality and integration contribute to the reproduction of extreme exploitation. To this one might add: yes, extreme exploitation but also lower levels of poverty? The main issue is how to interpret bondage when it is not associated with *extreme* poverty.[6] This requires further research.

The case studies in this volume thus point to a clear dichotomy. As migrant labour their conditions of work are extremely poor, but in their home villages their material conditions and/or status have improved, although also in this context they are still impoverished and their conditions are still appalling. They have also experienced a – mainly slight – positive trend relating to the bargaining power of labour. This should be compared to national survey data. NSSO data show a slight increase in real wages from 1993–94 onwards (Chandrasekhar and Ghosh 2011), while rural wage rate surveys show an increase in rural wages up to 2004 but an actual decrease from 2004 to 2008–09 (Usami 2011).[7] According to the latter dataset, rural wages have decreased in Tamil Nadu for the last ten years, in spite of the positive changes described and analysed by Heyer in the Tiruppur region. The differences confirm the persistence of labour market segmentation/fragmentation and regional/local differentiation.

Labour Struggles and/or a Countermove From Above?

This leads to the issue of labour agency and labour struggles. Far from being passive victims, labourers deploy numerous strategies and tactics, both on individual and collective levels. In India, with 77 percent of the population living on less than PPP $2 a day (Sengupta et al 2008: 51), few able-bodied adults do not work; they have to work in order to survive. Among the working poor there is a clear hierarchy of work, from survival self-employment and the worst kind of bonded labour to formal sector employment and informal sector enterprise ownership; in the latter cases workers may even be above the poverty line (see also Lerche 2010; NCEUS 2010). For many, the priority is to move up the hierarchy of work. This does not preclude bargaining over pay and conditions of work whenever labour finds that its position is strong enough to do so (Heyer, this volume; Pattenden, this volume). However, most labourers are in adverse bargaining positions and their fear of losing their job and a subsequent slide down the hierarchy sets strict limits to any bargaining over and above that of 'everyday resistance'. Bonded labourers thus rarely bargain over terms and conditions of work – but they do bargain over the size of their advance (Guerin et al., this volume); and construction workers may bargain for pay but only when the demand for labour is high (Pattenden, this volume). They may also have to refrain from this as it may have adverse consequences for their employment (Picherit, this

volume). As Pattenden points out, full-blown open collective actions such as strikes are rare in the informal economy.[8]

It is therefore maybe not surprising that a number of the case studies show that the struggles of migrant workers are spatially and socially removed from the workplace. Picherit's study shows this most clearly as he details how the home-coming migrant labourers have become upwardly mobile within their own caste in their home village; have successfully mobilised collectively against more dominant castes on social and political issues, and have gained access to local development schemes, public or private. In short, labourers' struggles focus much more on village-based social and economic concerns than on workplace related issues.

This important conclusion does have an impact on how we think about labour struggles. However, it appears more to be a case of choosing the best battleground than of an inherent antipathy against mobilising against levels of exploitation and conditions of work: the main reason for labourers choosing to focus on home village-level struggles is that the balance of power here is less disadvantageous to the workers, not the least due to strengths achieved via outside work. Even Heyer's study of the villages around Tiruppur makes the point that while the tightened labour market and government policies have increased the bargaining power of workers *at* the labour market it is, nevertheless, easier to improve conditions further through non-labour market struggles.

This takes us to the government welfare policies and with that to the wider issues alluded to earlier in this introduction. How successful is the struggle for improved government welfare policies? Burawoy argues that it is the struggle against commodification that can unite people against present-day capitalist developments, and cites the Indian welfare policies as a case in point as he understands them as a result of labour de-commodification 'from above'. Is that the case and can the struggle for *this* unite the labouring classes in India?

As outlined by the contributions of Lerche and Srivastava, in the last decade several social protection policies have been passed by the Indian government, most importantly the National Rural Employment Guarantee Scheme (NREGA) and the Social Security Bill. Presently, in 2011, a Rights to Food Bill is being debated. Of these, so far, the most far-reaching is the NREGA. In reality, the social security bill (at present, at least) is of limited importance and it is too early to say if the rights to food bill will avoid the same fate (Lerche, this volume). As shown in a recent detailed survey of Indian government social policy and social expenditure by John Harriss, the combined central government and state government social expenditure has actually not increased in recent years in spite of these new programmes (Harriss 2011: 134-5). Nevertheless, Harriss argues, taken together, the social protection legislation and other social and economic rights legislation do amount to a Polanyi-type countermovement 'from above' (Harriss 2010: 9) as they function as a brake on the neo-liberal project and, maybe, even represent the beginnings of its reversal (Harriss 2010, 2011).

As Harriss' statement regarding the non-increase on social spend alludes, one might question the extent to which the social protection policies have had much influence on realities on the ground. Such realities do of course vary. It is well known that Indian states, regions and even localities differ significantly in social policies and capacity and willingness to implement them (Kannan 2010). Specifically, Tamil Nadu is well ahead of most other states, as also evidenced by the case studies in this issue: where Heyer's Tamil Nadu study shows the importance of such policies (in line with Harriss et al. 2010, Djurfeldt et al. 2010) Pattenden's Karnataka case study records the opposite while the Andhra Pradesh migrant workers studied by

Picherit achieved access to developmental schemes in their home village. Moreover, regional differences within Tamil Nadu are highlighted by Guerin's study which records that the migrant, ex-untouchable bonded labourers she studied had no access to NREGA.

The picture from other parts of India is equally mixed and is often subject to local struggles (Lerche, this volume). Where the welfare programmes are most effective they may raise living standards a bit and they may also have an impact on labour markets as they raise reservation wages. This is what Heyer argues has happened around Tiruppur during the last fifteen years. It has been suggested that this has happened elsewhere as well (Chandrasekhar and Ghosh 2011). Overall, the policy initiatives and their impact on the ground are (still) quite piecemeal and watered-down. They *are* important as part of an attempt to push more pro-labour policies, but it is unclear whether they have (yet?) had a measurable impact on real wages,[9] let alone counteracted the increased disparities in Indian society.[10] As Srivastava puts it, the movement is positive but very slow and tortuous.

Even in places where labour has succeeded in accessing the welfare policies and this has had a positive impact on living standards, one may question the impact on the overall struggle of labour. Importantly, in our case studies, struggles regarding access to social and welfare policies are more common than offensive workplace struggles. In a recent study of Tiruppur, Vijaybaskar takes this further – maybe too far even – as he argues that welfare measures have 'displaced the question of workers rights and welfare from the workplace to the household neighbourhood' (2011: 38–39). The danger of this development is that it encourages and legitimizes modes of accumulation that release capital from any responsibility with regard to labour (Breman 2011; Vijaybaskar 2011).

While this is indeed a danger we would argue that the main issue is different. Historically labour movements have engaged simultaneously in workplace struggles and society-wide issues and struggles. The problem with the focus on social policies in India is the absence of labour and the exploited self-employed as a driving force herein. As Harriss points out, the social legislation is driven by middle class activists supported by left wing parties and, in south India, by elite-driven populist electoral politics. They are also supported by organisations such as the ILO (Lerche, this volume). However, labour is not mobilised/mobilising for the social legislation.[11] Overall, as argued by Lerche, without political pressure from labour one may fear that the outcome is more a 'management of poverty' than it is the beginnings of an improvement of labours' position in the balance of power between them and capital and state.[12]

That said, the fact that regional governments in some parts of India feel obliged to 'manage poverty' as opposed to ignoring the poor as they do in other Indian states (e.g. in Gujarat (Breman 2011) is of course better than nothing. Harriss labels the social policy drive as a Polanyi-type countermove 'from above' but that is probably too optimistic. Managed poverty might in principle be used as a springboard by movements for further struggles – but this is not the pattern in India right now. A stark case in point is that of Guerin's study where brick kiln workers have seen their immediate spending power increased through increased advances for 'consumerism' but they have been unable to resist getting further entangled into debt bondage as part of this: they are not in a position to take up the struggle for their own rights.

The usefulness of a conceptual focus inspired by Polanyi may also be questioned. Burawoy focuses explicitly on decommodification as the most viable perspective for labour struggles (2011). However, to achieve decommodification in Polanyi's sense (and in a Marxian sense for that matter) would be extremely difficult. As Polanyi argues, 'To take labour out of the

market means a transformation as radical as was the establishment of a complete labour market. (…) Not only conditions in the factory, hours of work, and modalities of contract, but the basic wage itself, are determined outside the market' (Polanyi 1944: 251). Polanyi appears to be in line with Marx here: decommodification means that labour is no longer 'doubly free'. Polanyi also argues for the decommodification of land and finance, all moves which would revolutionise society; one should not forget that Polanyi wrote at a time where 'socialist' control of capital seemed possible. The introduction of modest welfare policies has little to do with Polanyi-type decommodification.[13] Such policies are better seen as moves which do lower the overall level of exploitation in society somewhat as surplus value is returned to labour through government transfers. They are policies which potentially unite workplace struggles and society-wide political struggles and may strengthen the position of labour; but they don't change the fact that labour is a commodity.

When freed from the constraints of a decommodification and countermove framework, the issue of what sort of government policies might both be possible and, at the same time, have a positive impact on labour conditions and on the conditions for labour struggle, can be raised afresh. It is in this perspective that Srivastava, in his contribution, views social policy initiatives. He also suggests that the aftermath of the 2008 global crisis has created conditions for domestic demand stimulation and especially made demand stimulation at the bottom of the pyramid in the South more acceptable. The extent to which such policies will materialise in India may depend also on how strongly supported they are from below, not only in states such as Tamil Nadu but also in states such as Gujarat where the balance of power is even more against labour.

NOTES

1. See, for example, Breman (2007, 2011), Harriss-White (2010), Nath G. B. (2008), NCEUS (2010), Ramachandran and Rawal (2010), Sen and Dasgupta (2009).

2. Elson and Pearson (1981), Standing (1989). For recent evidence about India, see for instance Soni-Sinha (2010).

3. To Bernstein they all belong to what he terms the 'classes of labour', encompassing the various and complex combinations of employment and self-employment which most labourers in the global South experience during their lifetime (Bernstein 2007).

4. See for instance Harriss-White (2003, 2010); Harriss-White and Gooptu (2001).

5. Among many publications, see for instance Breman (2007, 2011).

6. De Neve has shown that bondage may occur even for a group of well-off skilled workers (master power-loom weavers), also in Tamil Nadu (De Neve 2003). Guerin et al.'s case differs from that. While the conditions of the workers she studied had improved they were still very poorly paid (INR 45 per day in 2004).

7. Recent 'small round' NSSO data shows that real wages increased without interruption from 1993–94 although the increase slowed down from 1999–2000 onwards (Chandrasekhar and Ghosh 2011). Usami (2011) argues that the 'Wage Rates in Rural India' data on which he bases his analysis are more robust.

8. It does appear that strikes are somewhat less rare among agricultural labourers. The threat of strike action at peak times of the agricultural year is widely reported. This may be due to the strong position they command as specific agricultural tasks such as sowing and harvesting cannot be unduly delayed. It is also likely to relate to the limited supply of labour, which is a result of labour out migration from rural areas and the fact that there is not much competition for the poorly remunerated agricultural labour jobs.

9. See above regarding the discrepancy between different national wage data. It may be that, in general, the impact of NREGA has been more that outweighed by high levels of inflation, not the least for food products.

10. The increased inequality has been documented, so far, for the period 1991–2002 (Jayadev et al. 2011).

11. Neither are the middle classes mobilised for labour market issues for that sake.

12. A similar argument is made by Dion (2010) regarding workers and welfare in Mexico.

13. The more common usage of Polanyi implies that he only pays lip service to proper decommodification and that all he argues for is some state intervention in markets. This, though, is a misreading of his actual writings.

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