The socio-economic conditions of the agricultural labour households reached its nadir in the 1990s, particularly after the implementation neo-liberal economic policies. The employment growth rate in agriculture sector has declined and simultaneously wage rate also declined. No doubt it is a double whammy. The growth of employment in agriculture had declined in 1990s. The annual growth rate of employment in agriculture was 1.51 per cent during 1983-84 to 1993-94. But, it had negative growth rate during 1994-2000, which was -0.34 per cent. The elasticity of total employment has been declining consistently since 1972-73 and it declined sharply in the 1990s. The total employment elasticity was 0.61 per cent in the period between 1972-73 and 1977-78, and it declined to 0.53 in the period between 1977-78 and 1983 and this further declined to 0.41 in the period 1983 to 1993-94. It declined very sharply to 0.15 in the period between 1993-94 and 1999-2000. For agriculture, the employment elasticity was 0.54 per cent between 1972-73 and 1977-78 and it had gone down to zero in the period 1993-94 to 1999-2000. Growth had slowed down in manufacturing sector too. It declined from 1.05 per cent to 0.67 per cent during the period of 1972-73 to 1977-78 and 1977-78 to 1983. This further declined to 0.33 per cent during the period of 1983 to 1993-94 and to 0.26 per cent in 1993-94 - 1999-2000. But the employment elasticity has increased in transport and communication sector from 0.49 per cent in the period of 1983 and 1993-94 to 0.69 per cent in the period of 1993-94 and 1999-00. The low-level elasticity in agriculture
compared to other sectors could be attributed to low productivity and under-employment in agriculture.

The state has withdrawn many of its loan schemes it provided earlier through nationalised banks and this affected agricultural labour households adversely and made enormously exploitative non-institutional credit sources as the only option. It has increased the average debt amount of agricultural labour house holds. The percentage of indebtedness of agricultural and rural labour households has been declining since 1963-65. But the average debt of rural labour and agricultural labour households has been increasing sharply. The indebtedness of rural labour households is less than the agricultural labour households' indebtedness. Sixty per cent of agricultural labour households and 59 per cent of rural labour households were reeling under indebtedness in 1963-65 and it had declined sharply to 25 per cent in 2001. The average debt was Rs. 251 and Rs. 244 for rural labour and agricultural labour households respectively in 1963-65 and continuously increased up to Rs. 6049 and Rs. 5230 in 1999-00. The percentage of consumption purpose loan of agricultural labour households has increased from 52.24 in 1983 to 63.90 in 1999-00. However, during the same period loan for productive purpose has gone down from 47.76 to 36.10.

The proportion of food item expenditure has been declining among rural and agricultural labour households since 1960s. During 1963-65, the proportion of food item expenditure was 73.3 and 73.9 per cent for rural and agricultural labour households respectively. The proportion of food item expenditure has declined during 1999-00 to 61.4 and 62.3 per cent for rural and agricultural labour households respectively. As a
result, the per capita daily consumption of cereals at all India level for rural labour households has gone down from 428 gms in 1993-94 to 414 gms in 1999-2000 and for agricultural labour households it declined from 431 gms in 1993-94 to 418 gms in 1999-00.

The main causes for increasing agricultural labour households in Tamil Nadu are: 1. Increase in casualisation of workforce, 2. Increase in land-less households and 3. Failure in implementing the land reforms. The self-employment had declined from 44.24 per cent in 1983 to 36.70 per cent in 1999-00 and as a result, casual labour force increased from 47.18 per cent to 51.50 per cent during the same period. The percentage of landless rural households in Tamil Nadu had increased from 17.0 per cent in 1971-72 to 19.1 per cent in 1982, but declined to 17.9 per cent in 1992. In addition to this, the proportion of semi-landless labour households had increased from 52.3 per cent in 1971-72 to 58.4 per cent in 1982 and it leaped to 63.4 per cent in 1992. This landless and semi-landless household became part of the agricultural labour force. The Gini's coefficient ratio in Tamil Nadu was also higher than all India average. The failure in implementing land reform in Tamil Nadu increased the number of agricultural labourers. The share of rural male workforce in agriculture has declined, but its share of workforce in secondary and tertiary sectors has increased. The share of male and female workforce in secondary sector has declined in urban areas, but at the same time their share increased in the tertiary sector. In the case of rural female workforce, their share in the primary and tertiary sector has increased but has declined in the secondary sector.

Therefore, no significant transformation took place in workforce structure in Tamil Nadu in 1990s compared to 1980s. So it is not surprising that the percentage of landless unskilled labourers continue to work in agriculture remains the same. The percentage of rural main
workers was 43.20 per cent of the total rural population in 1981, and it increased in 1991 to 45.07 per cent. But the proportion of main workers has declined in 2001, which was 40.98 per cent. This is because of the increasing the proportion of marginal workers. In the case of the marginal workers the percentage continuously increased from 3.28 per cent in 1981 to 3.42 per cent in 1991 and shot up to 9.41 per cent in 2001. In gender perspective, the percentage of male main worker has increased from 29.37 per cent in 1981 to 57.92 per cent in 1991. But the number of male main workers has declined to 51.97 per cent in 2001. The percentage of female main workers was 13.84 per cent in 1981 and rose sharply to 31.97 per cent in 1991 but it declined to 30.08 per cent in 2001. The proportion of cultivators was 38.28 per cent in 1981 and it declined to 33.06 per cent in 1991 and further declined in 26.0 per cent in 2001. The proportion of agricultural labour force was 40.27 per cent in 1981, which increased to 44.52 in 1991 to decline marginally to 43.05 in 2001.

At the same time, the share of the primary sector contribution in SGDP had declined from 25.92 per cent in 1980-81 to 23.42 per cent in 1990-91 to 19.56 per cent in 1999-00 and further declined to 18.25 per cent in 2001-02. The reason for declining share of agriculture in 1990s was drop in agricultural growth from 5.3 per cent in the 1980s to 3.95 per cent. The growth rate of employment in agriculture had declined to -0.05 per cent during the period of 1983 and 1987-88, and marginally increased to 0.84 per cent during 1987-88 and 1993-94. It declined sharply in the 1990s. The total growth rate of rural employment was -1.41 per cent during the period of 1993-94 to 1999-00 and the agricultural and non-agricultural employment growth rate was -1.99 per cent and -0.11 per cent respectively during the same period.
In Tamil Nadu land market we witness that: (1) the percentage of lease-in area has declined (2) the share cropping tenancy has slowly deteriorated and fixed money tenancy is recuperating, and (3) the percentage of lease-in was higher in small landholding groups compared to large landholding groups.

The real wage rate was higher than money wage rate during 1980-81 to 1986-87 in all districts of Tamil Nadu. But in later periods, the real wage rate is lower than money wage rate. This was due to increasing trend of Consumer Price Index of Agricultural Labour, particularly after 1987-88. In 1980s, the difference between minimum and maximum wage rate was low, though these difference was high in 1990s. The inter-districts wage gap sharply increased in 1990s compared to 1980s. The male and female wage difference was low in 1980s compared to 1990s. In operation specific, the wage gap was low for male and female only in the operation of weeding and transplanting compared to any other operations.

The inter-district variation in money and real wage rate is significant. The moving of money wage rate was upward from 1980-81 to 1999-00. But the real wage rates had been stagnant over a period of 20 years. Northern part of Tamil Nadu shows the lowest wage rate (Vellore, Tiruvannamalai, Villupuram, Dharmapuri and Salem). The western parts of Tamil Nadu shows highest wage rate (Erode, Coimbatore, Karur districts). Further, Cauvery delta districts such as Thanjavur, Tiruchirapalli, Pudukkottai and Nagapattinam also show higher wage rate. In southern parts of Tamil Nadu, only Tirunelveli district registered better wage rate compared to other districts in the parts.

Though the land reform act of Tamil Nadu never implemented in the study villages, the survey could find only one family in Kuppanatham 354
which has more than 20 acres of land. Most of the households are small and marginal land owning and landless labourer. Since mechanisation replaced man power in the agricultural activities, tenancy, particularly share tenancy declined. Most of the land owners started cultivating their lands with the help of modern technology and in turn, this has increased the demand for casual labour. The technological advancements took place in the irrigation system, from manual yetram and kavalai system to electric pumpsets and oil engines, motivated farmers and paved way for cultivation of commercial crops. The free electricity scheme of the state government increased well irrigation in leaps and bounds and an interesting feature that developed from this is water market. The farmer who owns land but has no water resource buys water from neighbouring farmer and pays in kind or cash. The modern irrigation system increased the area of cultivating land and farmers gave up cultivating traditional varieties of paddy and preferred high yield varieties. This preference for high yielding varieties resulted in large scale use of fertilizers and pesticides, which in turn increased the cost of cultivation. Now, farmers started investing money in digging wells and maintaining pump sets. Because of free electricity, the exploitation of ground water increased enormously and farmers started practicing multi cropping.

Ironically, these modern developments led small and marginal farmers into debt trap. Since the modern technology demands more investment, farmers, particularly small and marginal ones fail to meet the expenses. To meet their expenses, farmers approach both institutional and non-institutional credit sources. When large and rich farmers are able to access institutional sources like commercial banks and cooperative banks for credit, the small and marginal farmers largely depend on non-institutional sources such as traders and local money lenders. These non-institutional sources are more exploitative and risky. Traders provide loan for all sorts of purposes with a condition of selling
the post-harvest produce to them and the price will be determined then itself. So, traders have edge over farmers and dominate them. Thereby, traders gain control over product market. The landless agricultural labourer households depend on local money lenders and finance companies and to some extent on large and rich farmers. Earlier, money lending business absolutely dominated by upper castes but nowadays we can find money lenders from all castes including dalit castes. So, caste and religion play an important role in the credit market and people who are in need of loan usually approach their own caste money lenders first and money lenders also give first preference to their own caste people.

The commercial crops increased the demand for labour. The attached labour form has almost disappeared in the study villages due to improvements in technology and various welfare schemes of the state government such as old age pension, financial assistance to young women at the time marriage, housing programmes, improved public distribution system and distribution free saris and dhotis to poor families. The innovative midday meal scheme for children also prevented children from entering into labour market and particularly as attached labourers. Since a labourer can avail non-institutional sources for credit, his/her dependency on large and rich farmers has almost come to an end. Though these sources are equally exploitative, its availability has freed them from the clutches of attached labour system.

The commercialisation of crops paved way for a new labour system called gang labour or group labour. Farmers preferred this gang labour system; since it doesn't require them to supervise the work and the work will be completed within the stipulated time. Labourers also preferred this system as it gives them the freedom to choose their working hours and provides opportunities to carry out more piece works. It is interesting to note that this is a win-win situation for both labourers and
land owners. Another interesting feature that developed from this system is specialisation. A group of men in Kuppanatham are in demand in the banana plantation labour market since they have specialised in sapling plantation and another group in Theethandapattu has specialised in sugarcane cutting. In the case of female gang labour, a group of women in Kuppanatham are more in demand for weeding.

The casual labour system prevails in the study villages. The demand for the casual labour has somewhat come down after gang labour came into existence. The exchange labour system has become more prominent in the study villages nowadays. This system operates in small and medium landholding households. Since men migrate to nearby towns and cities like Bangalore and Chennai for construction work, women take care of agriculture works. However, women exchange their labour within their caste and kinship groups.

The days of employment for women in agricultural labour market are higher than men. Since the women landless agricultural labourers have no other choice, they get highest number of days of employment; whereas male labourers of the same class find employment in non-agriculture field too. Generally, the non-farm labour market is more favourable to men. So, the field study shows a tendency of feminisation of agricultural employment but certainly this hasn't improved the earnings of women, because gender discrimination prevails in the wage rate. However, there is no scope for non-farm employment within the study villages and men migrate to nearby town and cities in search of non-farm employment. In the agricultural sector, the days of employment are uneven and seasonal.

Traditional system of wage payment in these villages was only in kind, at the time of castor, jowar and bajra cultivation. Now they refuse
to accept wages in kind, because the utility and market value of these food grains have slowly declined. But at present, they received cash other than paddy harvest. Wage rate in the study villages is determined by both internal and external factors and it is also influenced by various institutional factors such as caste and religion. Gender discrimination is a common factor in determining wage rate and the worst affected section is girl child labourers who receive just 25 per cent of the male labourer wage. To everyone's disbelief, women seem to have no qualms about this discrimination. The absence of trade unions among them and ignorance about their rights contribute to this pathetic condition of female labourers. One of the important determining factors in wage rate is caste-class configuration. It affects the bargaining strength of the labourers vis-à-vis landowners. It is a usual practice of landowners to hire their own caste men and women labourers. The caste factors, and religion in the case of Kuppanatham, are major obstacles against the unity of labourers and formation of labour unions. Most of the small and marginal farmers who constitute a major chunk of labour force fail to build an organisation for themselves and join in the farmers' wing of regional political parties such as DMK and AIADMK. So they compromise their own interest. Ironically, the emergence and spread of gang labour has brought down the wage rate in the study villages. The competitiveness among the gang labour groups reduces the wage rate. These groups worry more about the number of days of employment they get than the wage rate. Usually old men are not preferred in these groups.

The social and kinship relations play a crucial role in getting credit both in institutional and non-institutional sources. The local administrative posts are predominantly occupied by dominant social groups, who favour them on caste and kinship basis. Further, the office bearers of co-operative societies play an important role in distributing loans. The levels of distribution are also decided by the degree of loyalty
of the farmer to the office bearers. This leads to a great deal of corruption, where sometimes the cooperative societies become bankrupt. In the study villages, the office bearers get 5-10 per cent commission for providing any loan and this per cent varies with the socio-political equations. The landholding agricultural labour households' debt is much higher than the landless agricultural labour households. Because, landholding agricultural labour households' accessibility to and availability of finance is more than the landless agricultural labour households. In addition to this, landless labourers are lacking the means of repayment and collateral evidence.