A Concluding Note

It is evident from all the data sources that agricultural labourers constitute a very high percentage of total workforce in the country; as per the 1991 census, they accounted for 26.15 percent of total main workers. Over the past few decades, the size of the agricultural labour force has been increasing at a rate higher than the rural population growth rate. Further, it has already been argued that the official statistics, particularly the Census estimates, probably do not capture the full extent of the size of the agricultural labour force, and that a variety of processes have contributed to the massive increase in the absolute and relative size of agricultural labourers. Given the weight of this section in our economy, the question of what is happening to their material and life conditions is obviously an important one.

In spite of the fact that a number of organisations and agencies have been collecting data on India's rural sector for some time now, there is not a single data source which can provide a comprehensive picture of the material condition of agricultural labour households. Various labour enquiries provide data on some of the important economic attributes relating to agricultural labour households (such as earnings, consumption, indebtedness etc.) but there is negligible information on aspects like housing condition, health, education, access to various social services etc.

Secondly, the estimates of important economic variables such as earnings, employment etc., generated by different data sources also differ not only for a particular point in time but also in their portrayal of changes over time. Thirdly, even when the data source for a particular variable happens to be the same, comparison over time is often problematical due to methodological adhocism (as in the case of AWI) or methodological changes (as in the case of ALEs/RLEs). Fourthly, information on related economic variables emerging from the same data source often do not fit in well; earning and consumption data from the RLEs are illustrative of this point. Finally, for a variety of reasons discussed earlier (Chapter 2), it is likely that even the most reliable data source (namely NSS) does not provide an accurate picture of the changes in the most important variables relating to agricultural labourers. In fact, these (and other) shortcomings of the existing data sources have led some researchers to treat the information from these sources as 'totally unreliable' [Rajaraman (1985)]. Such a rejection, in our view, is not a good option and one has to make the best of what is available.
Limitations of the data may not permit sophisticated analysis, yet they provide information which may be helpful in creating appropriate pictures. Moreover, while doing so, it is necessary that one takes into account not only the relevant data sources, but also the relevant macroeconomic trends and available micro-studies.

It appears, as we have argued in this study, that the majority of agricultural labourers continue to suffer from serious socio-economic deprivations and they form the hardcore of rural poverty. According to the available evidence on important economic variables, it would seem difficult to sustain the view that their material conditions have improved substantially during the post-Independence period. Upto the mid-1970s, except in a few states, almost all indicators point to a worsening or stagnation in the material conditions of agricultural labourers in most parts of the country. Even after the mid-70s, some important indicators, notably per capita consumption by agricultural labourers and per capita availability of agricultural employment, continue to paint a dismal picture of agricultural labourers at the all India level. The only encouraging development is on the agricultural wages front, for the country as a whole as well as in almost every state; major data sources indicate a rise in real wages of agricultural labourers from the mid-1970s, declining regional disparities in real wages and declining male-female disparity in agricultural wages. Agriculturally upbeat regions of the country generally show higher levels of absolute wages, but a small or negligible growth of real wages, as the experience of Punjab and Haryana over the past two decades indicates. It appears that due to the labour displacing technological changes in these regions, the prospects for a sustained increase in real agricultural wages are remote. As other parts of the country adopt more of the 'new technology package', particularly its mechanisation component, agricultural wages are likely to come under severe downward pressure. Thus, assuming that the trend of agricultural wage increase reported by major data sources for the 1980s is correct, it might well be a short-lived phenomenon. Most Indian states are characterised by a surfeit of wage labour and their supply has continued to increase unabated. On the other hand, there has been a steady decline in the growth rate of employment over the past two decades, and the availability of agricultural employment in 1980s was less than what it was in the 1970s. Labour absorption per hectare is declining not only in the agriculturally advanced regions but also in some of the backward states such as Madhya Pradesh and Bihar. The gap between output and employment growth has been
widening not only for the agricultural sector but also for the economy as a whole. One obvious implication of such a phenomenon is that the ability of the non-agricultural sector to absorb surplus rural labour has come under further pressure. There is some increase in the non-agricultural activities in rural areas and almost two thirds of the total addition to rural workforce during the period 1977-78 to 1987-88 was absorbed by the rural non-agricultural sector. However, how much of this rural diversification is a consequence of dynamic growth forces, and whether it is sustainable, is difficult to say; some of this observed rural diversification in occupations is only distress diversification and the low productivity/lower earning rural non-agricultural sector has become a parking lot for labourers pushed out of agriculture. In any case, it is unlikely, at least in the foreseeable future, that the non-agricultural sector (rural or urban) will provide a significant exit route for surplus rural labour, particularly in light of the fact of reasonably high growth rates of population and labour force. Obviously, it is important to explore the potential of rural industrialisation and non-farm employment opportunities. Probably, much greater state support is needed for this sector than is presently available. However, it is unwarranted to expect this sector, at least in the medium run, to make an appreciable dent on the problem of rural unemployment partly because the initial conditions that make for successful rural industrialisation (as in the much cited East Asian case) are lacking (Saith, 1989).

As we have repeatedly emphasised, India’s agricultural sector is characterised by a variety of regional and sub-regional politico-economic patterns and hence the changes in the life-conditions of agricultural labourers could not have been identical all over the country. There are pockets in which the lot of agricultural labourers is substantially better than what it was in the 1950s. Agricultural growth, if it increases demand for labour in a particular region, can enable labourers to increase their earnings, but it is not a sufficient condition. The experience of different regions in the country, over the past four decades, provides a mixed picture. (For instance, the experience of Punjab, Haryana and Maharashtra on the one hand, and Kerala on the other, during the 1980s provide two extremes). Dharam Narain’s equation of factors influencing levels of living of rural poor (quoted in Sen, 1986) had identified agricultural output and prices as the proximate factors and ‘time’ as a catch-all for structural and other relevant changes in the economy. ‘Time’ in Narain’s equation can be interpreted to include factors such as land reforms, investment in basic social (health, education,
etc.) and economic (power, irrigation, soil management, etc.) infrastructure, increase in employment opportunities in the rural non-agricultural sector etc. - essentially changes which directly or indirectly influence the holding and bargaining power of the rural poor. The sum total of these changes in most parts of the country have not led to any substantial improvement in the lot of agricultural labourers over the past four decades, and the story is particularly dismal for those states which house the majority of them. Our field studies from Bihar, while shedding some light on various processes involving agricultural labourers in the economy of our region, also brings to light the wretchedness of their existence.

In fact, it was quite clear by the early 1970s that the 'trickle down' effects of economic growth had been negligible for the rural poor and, partly in response to their increasing restlessness, a number of programmes for employment generation and alleviation of rural poverty were launched in pursuance of what has been called the strategy of 'direct attack' on poverty. Indeed it was a welcome realisation on part of the policy makers and planners that trickle down effects of growth are unable to tackle the crises dimensions of the problem of rural poverty. There has been a substantial expansion of poverty alleviation programmes over the past two decades; during the sixth and seventh plan periods, about 30 million families were assisted for self-employment (under the IRDP) and the employment generated under the various wage employment schemes increased from about 20 million person days in the mid-sixties to about 1000 million person days in 1989-90 (Rao, 1991). However, the impact of these programmes, as various assessments have brought out, has been only marginal, given the intensity of the problem. Clearly, the scale of operation of poverty alleviation schemes has not been adequate given the problems of unemployment and poverty. Moreover, the manner in which these schemes are formulated and implemented makes them open to various criticisms. Firstly, these programmes are not sufficiently integrated with the agricultural development strategy and there is much wastage in terms of creating poor quality and unusable assets. Secondly, given that the delivery systems for these schemes depend on the local bureaucratic and power structures, there are heavy leakages across the board. Thirdly, the design of these programmes and access to them are often manipulated by the locally powerful. These (and other) weaknesses of the poverty-alleviation programmes have been well documented (Bhardwaj, 1990, Rao 1992) and various suggestions have been made to improve their efficacy which, one hopes, will not go unheeded.
Involving the intended beneficiaries in formulating and administering these programmes and institutional innovations in the form of co-operative activities will probably go a long way in increasing their efficiency. Though there is a strong case for increasing the scope of these programmes, it is obvious that should the scale of their operation be somehow raised to a level that makes an appreciable dent on the problem of rural unemployment and poverty, the question of commensurate supply of wage goods would arise.

Thus, the scenario that faces the majority of agricultural labourers in the country is one of low wages, stagnant/declining agricultural employment, negligible non-agrarian employment opportunities and persistence of acute poverty. According to the NCRL report (1991), agricultural wages in most states are lower than the 'minimum wages' fixed by the respective state governments, and they are so low that an average household with two casual labourers is below the nutrition based poverty line. As pointed out earlier, surely there is a need to stretch and deepen the strategy of "direct attack" on poverty while improving their efficiency and to provide support to the rural non-farm sector. However, even to strengthen the possibility of success of these strategies and to meet headlong the problem at hand, a number of long term and short term measures are called for. Although it is not in the design of the present study to pronounce policy prescriptions, the following remarks are meant to highlight the important areas that need attention.

One of the most important policy concerns has to be devising consumption - support schemes for agricultural labourers. The coverage of the Public Distribution System should be expanded considerably and it could be reoriented to directly target the rural poor. Most PDS outlets in rural India are run by private traders, which has led to massive leakages. Instead of bureaucratic monitoring of these operations, it would be far better to experiment with progressive co-operativisation of the system by handing over its management to the rural poor, while evolving institutional mechanisms to ensure that vested interests are not created. In addition to the PDS, schemes for easy and inexpensive access to consumption credit for agricultural labourers need to be devised. Basically the object of such schemes should be to improve not only day to day food intake of agricultural labourers, but also to increase their holding power in the market for forward labour contracts, and to provide safeguards against the exploitative grip of moneylenders and employers. Secondly, basic health and elementary educational facilities in rural areas must be substantially enhanced and
schemes should be devised that ensure access to these facilities for agricultural labourers. Provision of such facilities has a direct bearing on poverty alleviation both by improving the social consumption of the rural poor as well as by generating employment in the provision of such services. Moreover, provision of such social consumption is likely to help in improvement of the rural poor and lead to their more effective participation in the development process. Among Indian states, the experience of Kerala is quite instructive in this regard.

Finally, in our view, the need to take up the 'unfinished business' of land reforms is as great as ever. It has been often pointed out that given the pressure of population on land, the area of surplus land being quite small, given our ceiling laws and with accelerating marginalisation of holdings, the redistributive potential of land reforms has almost exhausted itself. As per the 1985-86 Agricultural Census, the area declared surplus by imposing ceiling laws is 72.20 lakh acres which is just about two percent of the total cultivated area, of which 85 percent has already been taken possession of and 65 percent distributed to individuals. Even if all "surplus" land were transferred to the 56.75 million "marginal" holdings, the average size of the holdings in that group would go up from around .4 to .6 hectares. Thus, it is argued, there is simply not enough land to be redistributed. In this context, the important point to note is that our land records, by all accounts, are not reliable. As has been observed by the recent Expert Committee report for the Planning Commission, 'In all parts of the country, records relating to land are in a very bad shape. The record as it exists today hardly reflects the present day reality regarding ownership of land. The preparation and maintenance of record of rights in land got low priority in all the seven five year plans' (Wadhwa, 1989). Going by evaluation of land reforms implementation experience of most states during the post-Independence period, there is every reason to believe that the actual extent of "surplus" land is substantially more than what the official statistics show, a view supported by the government's estimate itself (GOI, 1988). Secondly, there is nothing sacrosanct about the ceiling limit decided earlier and there are no strong arguments, on grounds of productivity consequences, why it could not be lowered further along with undertaking a vigorous programme of consolidation of holdings. In our view, the question of land redistribution still remains primarily a political question, and the power of the rural rich in Indian politics still constitutes the major hurdle to a more egalitarian land ownership. Without going into the details of the theme of land reforms, a theme which
has many aspects to it, here we only note the basic programmes which are particularly important from the point of view of improving the material condition of agricultural labourers and rural poor. Firstly, the task of providing homestead entitlement to agricultural labourers should be considered an important component of land reforms. Availability of house sites will meet not only one of the most basic needs of agricultural labourers but also enable them to undertake supplementary activities (provided resources are made available to them). Secondly, a large number of agricultural labourers are part-time share-croppers, tenants cultivating small parcels of land under concealed and informal tenancy arrangement which is essentially a euphemism for denying all legal rights to the tenants and foreclosing any possibility of effective rights of cultivation to the actual tillers. The figures for area under tenancy of the total area under cultivation recorded by the Agricultural Census and the NSS are two percent and six percent, respectively, for the early 1980s, which is very low (Rao, 1992). On the other hand, the NSS survey of 1981-82 reported a substantial and growing extent of 'informal tenancies' and observed that the land reforms legislation had driven tenancy underground; according to a seminar on Land Reforms organised by the Planning Commission in 1989, almost one third of total land under cultivation is under concealed and informal tenancy (Rao, 1992). Regulation of tenancy and effective protection to share-croppers should be a major component of land reforms; there is much to learn from the experiences of Kerala and West Bengal, particularly for states like Bihar which is their polar opposite in this respect. It must be emphasised that if this component of land reforms is to be successful, it must be accompanied by a stress on better access to non-land resources, such as irrigation, credit, and various agricultural inputs. Essentially one of the long term objectives of land reforms and rural development strategy should be to help this group become viable cultivators, and to ensure that land is effectively controlled by actual tillers. Thirdly, effective interventions are needed to improve the access of agricultural labourers and the rural poor to common land, or more generally, common property resources (land, forest, water etc.). Recent research has tended to focus on this earlier neglected subject (Chambers, 1989, Jodha, 1990). There has been a drastic fall in the availability of common property resources during the post-Independence period partly due to their privatisation by the locally powerful and in part because the population dependent on these resources has risen alarmingly; one obvious fallout of this process has been diminishing access to such resources for
rural labourers, although even now they play an important role in sustaining the rural poor (Jodha, 1990). In some parts of the country, for instance the plains of Central Bihar, agricultural labourers have been struggling to preserve and maintain their access to common property resources. The tendency towards depletion of these resources must be checked while according centrality to the needs of the rural poor in their planning and management, a task whose success would hinge a great deal on evolving institutional mechanisms to ensure participation of the targeted groups.

It is obvious that the ultimate success of land reforms, or broadly the policy measures aimed at empowering the rural poor, will depend on the extent of their organisation and participation. In this regard, one can only hope that the government does not frustrate the attempts to create institutions and mechanisms that facilitate mobilisation and organisation of the rural poor. Obviously the socio-economic context in most of rural India and the hold of the rural rich on policy making are strong impediments to policies aimed at empowering of labourers. However, the rural elite are unlikely to be equally hostile to each of these policy measures, and, going by past experience, it is attempts at loosening their grip on land that they are most strongly opposed to. However, the dynamics of India's democratic polity, in spite of all its imperfections, is such that issues of equity and social justice cannot be brushed under the carpet and the pressure from the rural poor for access to land is likely to increase. Emergence of state level or national level organisations of rural labourers, combined political pressure by union of small producers, farm labourers and informal sector workers etc. will be critical in the formulation and the implementation of the policy measures hinted at in the foregoing. It is well known that the states in which left-front governments have been at the helm of affairs have witnessed genuine attempts to formulate agrarian reforms and to successfully focus them on the rural poor. Even outside these states, it is not as if the picture is uniformly depressing; the case of Bihar may, on the one hand, be on the one extreme to that of Kerala and West Bengal, but the experience of Karnataka is certainly not as dismal as that of Bihar.

Finally, it is an obvious point that the success of the strategies to improve the material condition of agricultural labourers also depends on improving the growth performance of the agricultural sector with a long term vision, which requires better management of our land and water resources and much higher levels of investment in infrastructural sectors. However, the point is that the strategy of growth cannot be divorced from the question.
of institutional reforms and the material well-being of rural labourers who constitute a large section of India's population; this point has been stressed time and again over the past four decades and the past experience only strengthens the argument. As regards the strategy of "direct attack" on poverty, we may emphasise again that they can provide only interim relief to rural labourers unless integrated with the broader strategy aimed at improving their economic situation and we have tried to pinpoint the important elements of such a comprehensive strategy in the foregoing. "Devil take the hindmost" philosophy of market centered economic orthodoxy is not workable; even from a pragmatic point of view it is certainly better to marshall resources to improve the lot of the rural poor, than to spend increasing amounts on 'maintaining law and order' to contain them.