1.1 Background of the Study

Plantation sector plays a significant role in the agriculture economy of Kerala. Among the plantation crops rubber, pepper, cardamom and tea are important in terms of income and employment generation in the state. Plantation crops like cardamom and pepper are highly demanded in foreign markets for its better quality. Since Kerala is the principal producer of cardamom and pepper in the country their share to the foreign exchange earnings of the country is also significant. The revenue generated by the export of cardamom and pepper from the country increased significantly over the years. It increased manifold from ₹74 crore in 1991-92 to ₹623
croreduring April–September, 2014. Because of the high exposure of the sector to international markets the price fluctuation is also very prevalent. The ASEAN countries including Indonesia, Thailand, Malaysia and Vietnam are providing intense challenge to the country in terms of Rubber and Spices trade in the international markets. High import from ASEAN countries to India’s domestic market over the years has increased significantly resulting in drastic fluctuation in price especially of Spices causing reverberation to the sector affecting the livelihood of farmers and labourers. In this backdrop the study tries to understand the relative importance of plantation sector in the economy of Kerala and also tries to understand the price and trade implications in the sector. The study also tries to understand the nature of employment and livelihood of plantation workers who are in the lower end of the supply chain.

Kerala occupies a lion’s share in the area and Production of natural rubber, pepper and cardamom in the country. Almost 80 percent of the total production of natural rubber pepper and cardamom comes from the state of Kerala. In terms of area, 548225 Ha out of the total 778000 Ha of natural rubber farming in the country is in Kerala, whereas 648220 MT out of 844000 MT is produced in the state. While observing cropping pattern of pepper in the state 84065 Ha in area was cropped in the year 2013-14 whereas production stood at 29408 MT in the year 2013-14. Cardamom was cropped in around 39730 Ha in the year 2013-14 with a total production of 14000 MT in 2013-14.

The plantation sector (Natural rubber and Spices) is beset with problems especially in the form of stiff competition from ASEAN countries as ASEAN countries are the major players in the production of natural rubber and pepper. High competition from ASEAN region over the years has
resulted in increased fluctuation in the domestic price of plantation crops. The situation is more pertinent in context of the India-ASEAN FTA which was signed in the year 2003 and came into effect in the year 2010. Even though plantation crops are being kept in the excluded list till 2016, removal of many of the non-tariff barriers have already resulted in increase in import of plantation crops to India from ASEAN countries (Vishwanathan and Shah, 2008). The situation is more pertinent in the case of natural rubber and pepper as the easing of trade policies by diluting or removing quantitative restrictions enabled industries in India to import huge quantities through duty free channels which was basically instituted as an incentive for promoting exports. Import of natural over the years increased significantly from 68718 MT in 2004-05 to 325189 MT in 2013-14. Similarly in the case of import of pepper the value of import 176 crore in 2007-08 to 616 crore in 2013-14. The easing of quantitative restrictions and thereby increased import from ASEAN countries resulted in high market fluctuation in domestic prices thereby causing severe negative implication on the livelihood of workers. Given the present situation, the removal of plantation crops from the exclusion list after 2016 will have serious ramifications on the plantation economy of the state.

In terms of employment in plantation sector, the main features of a plantation can be termed as those agricultural enterprising which gave prime importance to produce cash crops rather than other agricultural crops mostly of one or two types of crops in large areas of land using cheap labour. Most of the labour in the plantations is informal in nature. Employees are considered to have informal jobs if their employment relationship is in law or not practice not subject to national labour legislation, income taxation, social protection or entitlemet to certain employment benefit (advance notice
Chapter 1

of dismissal, severance pay, paid annual leave or sick leave etc). The reasons may be the following non declaration of the jobs or the employees, casual jobs, or jobs of limited short duration or wage below a specified threshold (eg. for social security contribution), employment by unincorporated entreprises or by persons in households, jobs where the employee’s place is outside the premises if the employer’s entreprise (outworker without employment contract) or jobs for which labour regulations are not applied, not enforced or not compiled with for any other reason (ILO Report, 1993).

While observing the trends in employment in plantation in the state, the sector plays a key role as it provide livelihood opportunities for about 14 lakhs families. It has also been instrumental in developing many of the remote areas into extensive rubber, coffee, tea and spices plantations etc. Among the plantation crops, rubber provides the maximum number of employment opportunity. Over the years the total cropped area of rubber and spices has increased significantly thereby contributing immensely to the rural labour employment market of the state.

Employment in rubber and spices plantation in the state have a historical background right from the colonial period. The present state of social exclusion among workers in the plantations has direct linkage to the historical perspective of migration and concomitant exploitation occurred during those days. During the early days rubber plantations were concentrated in the districts of Idukki, Kottayam and Pathanamtitta. Later, fall in the profit margin of crops like rice and coconut and increased price of rubber shifted the interest of farmers to rubber which resulted in growth of rubber plantations extensively in the state. In the case of spices like cardamom and
pepper most of the plantations in our state are concentrated in the districts of Idukki and Wayanad.

Referring to the increase in small holdings in rubber plantation, the spurt has been accelerated by a host of socio-economic and political factors including the land reforms initiated in the state since 1957 exempting all plantation crops from land ceiling, progressive nature of the provision of the Plantation Labour Act 1951, Agricultural Income Tax and Plantation Land Tax and the prevailing Law of Inheritance. Consequently the relative share of area under small holdings in the state increased from 34 percent in 1946 to 90 percent in 1995-96 resulting in the small rubber plantation occupying the major share in the total rubber plantations (Prakash, 1999).

In terms of the size of plantations, the situation in spices plantation is quite contrary to that of rubber plantations in the state. Most of the cardamom plantations are owned by big land holding farmers, while about 90 percent of the pepper plantations are owned by small growers. Most of the cardamom plantations in Kerala now-a-days hire contract labourers from Kambam area of Theni district in Tamil Nadu. In the case of contract labourers, the planters are not supposed to give any extra benefit like medical benefits, accommodation etc., hence it is profitable for the planters. Contractualisation of job in plantations is also hampering the collective bargaining capacity of labourers and fall in the trade union activism in plantations.

While observing the socio-economic conditions of workers in the plantations, the condition of workers in spices sector is more vulnerable compared to that of workers in rubber plantations. Even though the Plantations Act of 1951 specifically mentions about the basic amenities to be
provided for labourers, most of the plantations fails to provide many of the facilities. The workers are forced to work and live in unhygienic surroundings leaving a heavy toll on their health conditions. Insecure and unhealthy working conditions make them socially as well as economically weak which automatically exclude them from the main stream. Bad health conditions and low education leave them with lesser options forcing them to enter and remain in a vicious circle of poverty and thereby inherit the culture of poverty. Plantation workers play an important role in development of plantations as the production and productivity of rubber plantations heavily depended on the performance of the workers employed therein. So the welfare of plantation workers remains significant. While understanding the present state of plantation in the state requires some prior understanding regarding the origin and evolution of plantation in the state

1.2 History of Plantation in Kerala

The history of plantation sector in Kerala dates back to the pre independence period i.e. during the colonial rule in India and can be considered as a product of colonialism (Raman, 1986). In Kerala the erstwhile Travancore state was the first to have plantation estates in the late 1860s. The plantation estates in the earlier period were specialized more in growing tea and coffee. The planters mostly British with their influence in the imperial government made constant political pressure on the Travancore princely state to acquire cheap land, labour and capital necessary for establishing plantations. The number of local planters was very less and they owned only small area of land when compared to British planters. The institutional role played by the British government paved the way for the establishment of plantations in Kerala (Umadevi, 1989). The institutional factors like government, family, caste were
very beneficial in the growth of plantation sector in the state. Governmental measures like provision of land at easy terms and promotion of labour migration played a significant role in the flourishing of plantation sector in Kerala in the 19th century. A dual economy consisting of a market based production of cash crops and other tertiary industries related to trade and transport on one hand and the traditional sector consisting of the cultivation of crops like paddy etc on the other side (Umadevi, 1989).

The development of plantations necessitated two basic requisite i.e. large areas of cultivable land and large labour force. During the formative years plantations faced the problem of acute labour shortage. They had to depend on migrant labour whose migration had to be induced by the planters. This resulted in large scale migration of labourers from far flung areas lured by the planters of attractive wage and living conditions. The push and pull factors were very much visible there in the migration of labourers to the plantations during those time. Most of the plantation workers came from areas where poverty was very rampant. For the low caste Indian labourers the opportunity to work on plantation meant a way out of their depressed conditions in their caste ridden villages. Some of the workers left areas affected by severe famine. Only extreme poverty and scarcity of work in their own villages such as famines, flood etc could drive them to this alternative (Umadevi, 1989). Thus the push factors like the prevalence of famine, caste enmity and pull factors like higher salary and better living conditions attracted workers to the plantations. Labourers came from distant places dreaming of high wages but they were met with harsh treatment from the part of planters in the form of wages lower than promised, unhygienic working and living conditions.
As labourers were from far-away places it resulted in the permanent settlement of workers with their family. This permanent settlement of workers resulted in the availability of cheap labour as the whole family including women and children worked on the plantations at the wage determined by the planters. The migration of family also ensured that labour could be reproduced which in turn would ease the problem of further recruitment in the future (Kanchan and Bhowmik, 1999). Women labourers were entrusted with the task which requires no skills. This later turned advantageous for the plantation owners as they used the difference in skill argument to justify the lower wages paid to women workers compared to men workers, in a sector where the wages were already low. There was also a phenomenal trend in the plantation sector regarding the participation of women. Women became an indispensable part of labour in plantation from the very beginning.

1.2.1 Influence of the British Raj in Plantations

Till 1945, the plantations were like little kingdoms of Planters. The major areas where there was high concentration of plantations were Anamallais in Coimbatore District, Highways in Madurai and Singampatti in Tirunelveli District of Madras High Ranges, Vandiperiyar and Peerumade in Travancore and coffee estates in Mysore. There were no sizeable towns near the areas and the public had no contact with the workers of these estates. The British Raj was there to help them and therefore the planters ruled like autocrats in their territory and misery of workers in these plantations started from there. The low educational levels and lack of other employment opportunities of the workers paved the way for increased exploitation by the planters on them (Nair, 2006). The remote locations of these plantations also made the workers unaware about the freedom movements. The British
government lent the planters with the right to exploit the workers in the plantations. Even law like Madras Planter’s Act of 1902 was enacted to help the planters. Social workers were not allowed to contact the workers in the estates. During the days of British Raj plantations in Kerala was reported to be the worst in terms of violation of labour rights as well as human rights.

1.2.2 After Independence

It was supposed that the misery of plantation workers will subside with the advent of independence. The younger generation of the workers in plantation estates, were hoping that the estates would be bought over by Indians and that the Indian employers would give them better treatment than the white employers after independence. But soon they realized that colour of the skin of employers did not have any bearing on their treatment of their workers. Indeed many workers in the plantations felt that the European employers were better.

After independence various laws were enacted for protecting the interest of workers like the Industrial Disputes Act, the Factories Act had been passed to confer and protect the rights and privileges of workers, which they did not enjoy earlier. In the case of plantation workers, laws like the Payment of Wages Act and Minimum Wages Act was implemented. The Plantation Labour Act gave workers many rights and benefits like free medical aid, sickness benefit, maternity benefit, annual leave etc. Plantation Labour Act significantly improved the working conditions and rights of workers and they got freed from the inhuman treatment of plantation owners to a certain extent. But the sense of optimism because of these laws did not last for a long time as the workers came to realise that the laws remained as laws and their living conditions did not changed substantially.
One significant development after the enactment of plantation Labour Act was that in order to escape from the stringent labour norms in the Plantation Labour Act, the act was circumvented by most of the Indian Planters mainly by the method of fragmenting the estates, so that the acreage came below that defined as Plantations in the Act even though this fragmentation in most cases remained only in documents. Housing conditions continued to be deplorable. In Kerala by the fragmentation of the estates the employers employed more of temporary and casual workers thereby denying the legitimate rights and privileges of workers and thereby escaped from the strict labour laws under the Planation Labour Act and resulted in the casualization of labour in plantations which was more profitable for the planters.

1.2.3 Trade Unions in Plantations

In Kerala, the first union to be started for the plantation workers was by B.K. Nair under the auspices of the I.N.T.U.C. Almost at the same time another union was started in the High Ranges also under the I.N.T.U.C. But after the Communist Party of India (CPI) came to power in 1957, the A.I.T.U.C unions grew fast. Soon they became the dominant force among the estate labours. Later when the CPI split into CPI and CPI (M), the AITUC unions in the plantations found some of their member joining the newly formed C.I.T.U. The RSP had organized estate workers in the Thenmala Valley under the initiative of ParakkulamBhasi and N. Sreekantan Nair. The Socialist Party also took a hand in the game but their influence was limited to the small coffee estates in Wayanad and Malabar.

There were certain common features with regard to all early labour unions in the plantations. First, they were not recognized on an industry-wide
basis like the Estate Staff Union of South India (E.S.U.C.I) which was the trade union body for the staffs of estates other than workers in plantations. Indeed there was not even one union, which was at least state wide in extent. All of them operated with in districts while some of them operated within districts or confined to local levels. Second unlike the ESUCI, political parties had started most of the early unions of workers. In none of the cases, the workers had not been found to take the initiative to organize themselves. So the trade union movement among the plantation estate workers had been started by outsiders, some of them with laudable objectives and motives and others with the sole objective of making the trade union movement for meeting their source of livelihood. B.K Nair of the I.N.T.U.C, P.Ramalingam of the A.I.T.U.C, P.L. Perumal of HMS etc. were the most influential and honest leaders who worked for the sole benefit of the plantation workers during the early days of trade union movement in the plantations.

Corruption was rampant among the leaders of Plantation Trade Unions. Since the workers did not have any knowledge to organize and run trade unions, outsiders were required for leading the movement. These outsiders played an important role in organizing the workers but at the same time they maintained in good relations with the planters by getting monetary and other benefits from them in regular terms. Planters found this as a good option so as to maintain peace in the plantations and to stop the workers from protesting.

1.2.4 Induction of Plantation Labour Committee and the Tripartite Conferences

Another important initiative happened in the plantation sector of Kerala after the initial days of independence was the tripartite relation initiated and nurtured by the state government since the early 1950s with the active
cooperation of trade unions and employers and their associations. This tripartism came to stay in the plantation industry in the form of Plantation Labour Committee (P.L.C.) under the initiative of the labour commission of the state. It could be undoubtedly said that the Plantation Labour Committee (P.L.C.) is one of the important components in maintaining the industrial relations in Kerala as it was very vulnerable to protest and struggle from the part of labours.

An agreement was also made on the recognition of trade unions in the first tripartite conference which is considered as the Magna Carta of the trade union movement in Kerala. The agreement put forward path for negotiations between plantation unions and the plantation owners. This agreement could also be considered as a Code of Conduct and a Code of Inter-Union Harmony. The tripartite conference also discussed the evil of the Kangany system of recruitment of labourers in the estates and reached a decision to abolish it ultimately. The replacement of Kanganis by a new cadre of labour supervisors was tried at a later date, when there was a greater consensus between the management and trade unions in plantations. Industry-wide settlement of bonus was another important achievement of the conference.

The issues relating to the providing equal wages for both men and women, wage differentials etc. were settled. The Conference also decided to refer the question arising in individual estates to the consideration of this committee on mutual agreement. Based on this view the state government constituted the Tripartite Plantation Labour Committee (P.L.C). This produced a healthy climate of industrial relations in the plantation industry where great lawless and uncertainty prevailed in earlier years. The P.L.C started holding regular and successfully settled several complex issues in the plantations. The
members of the P.L.C used to participate in the deliberation with an honest objective of reaching an amicable settlement.

Another important achievement of the Plantation Labour Committee (P.L.C.) was its efforts in introducing gratuity scheme on a voluntary basis by 1962. Under the P.L.C. Agreement, gratuity would be payable to all employees in the plantation who have employed ten years or more of continuous service at the rate of fifteen days of wage based on the least drawn wage rates immediately preceding the date on which gratuity becomes payable, for every year of service, subject to a maximum of twelve month’s wages. Gratuity would be payable to the worker at the above rate at the time of his voluntary retirement after the qualifying period of superannuation or on attaining the age of 58 years or on his retirement after one year of service on account of permanent total disablement due to accident or disease. The gratuity scheme also detailed that the gratuity would also be payable to the nominee of the worker, or in the absence of the nominee, to the legal heirs of the workers who have completed one year of service on his death while in service. For avoiding the likelihood of large number of workers simultaneously seeking payment of gratuity, payment of gratuity would be limited to five percent of the total number of employees in the estate in any calendar year, order of priority being for people with long services. The gratuity scheme was not applicable to those estates which were outside the purview of Plantation Labour Act. Eventually through the circumventing of Plantation Labour Act, by the fragmentation of plantation estates and by the casualization of labour, various acts introduced by respective governments failed to produce the intended outcome as far as improvement in livelihood and employment of plantation workers are concerned.
1.3 Livelihood of Plantation workers (Rubber and Spices)

Livelihood plays a determining role in framing the identity of an individual in a society. Without a better livelihood it is impossible to aim for a better quality of life. Livelihoods may be defined as the means by which households obtain and maintain access to the resources necessary to ensure their immediate and long-term survival. The factors essential for livelihood can be classified into six categories: physical, natural, human, financial, social, and political (US Aid Livelihood and Conflict Report, 2005). Households use these assets to increase their ability to withstand shocks and to manage risks that threaten their well-being. UNDP (2000), in its Millennium Development Goal (MDG) considers livelihood as an important factor responsible for eradicating extreme hunger and poverty and thereby attaining a better human development index. The concept of poverty and livelihood is intertwined to a very great extent. The higher the livelihood option the higher is the chance of the individual to get rid of poverty. The inability to get livelihood options results in the persistence of poverty and inability, ultimately leading to “culture of poverty”.

The International Labour Organization notes that the term ‘Plantation’ at first referred to group of settlers or the political unit formed by it under the British colonialism especially in North America and in the West Indies (ILO Report, 2001). Plantation can be defined as an instrument of force wielded to create and to maintain a class-structure of workers and owners connected hierarchically by a staff line or overseers and managers (Bhoumik, Sharith 1980). Plantation is being distinguished from peasant agriculture by its large scale enterprise which normally requires more labour per unit of land (Mynt, 1973).
1.4 Employment in Rubber and Spices Plantations

The ownership of rubber plantations in Kerala is classified into two categories i.e. small and large growers depending on the land holdings according to the Rubber Act Rules of 1947 which was amended on 22th January 2010. Those owning up to 10 hectares (24.7 acres) are considered to be small growers and planters who possess more than 10 hectares are considered to be large growers. About 93 percent of the total rubber plantations fall under the small holders with a total productivity share of about 85 percent.

A perennial crop like rubber demands an uninterrupted supply of skilled workers relatively for a longer period of time. About 80 percent of the total employment in rubber plantation arises out of tapping and the labour requirement for fertilizer application is only 20 percent (Viswanathan et. al., 2003)

The characteristics of the market for tapping labour may be attributed to a very great extent to the following features.

1) Regular work with an average number of days of employment of 111 days.
2) The existence of a permanent employer.
3) Interest free wage advances and other pecuniary benefits.
4) Tapping work being confined to forenoon hours a facility which enables tapping labourers to go in for other work if they wish.
5) The supply of tapping labourers to the natural rubber sector is influenced not only by the wage level but also by the employment
conditions in the next best alternative employment avenues in the rural sector.

Therefore wage rate for tapping labourers may be compared with the wage rates for other agricultural labourers in the locality (Mohankumar and Binny, 2005).

In rubber plantations, the main work is collecting latex from the rubber trees and it is mainly done by the male workers. Unlike other types of casual works in the farm sector rubber tapping demands labourers to undergo apprenticeship for not less than a year and then later they go for fulltime employment in rubber tapping (Mohan and Binny, 2005). Tapping normally takes place early in the morning, because during the early hours the internal pressure of the tree will be very high which is suitable for tapping. A good tapper can normally tap between 450 and 650 trees. Trees are usually tapped alternate or third daily which varies from plantation to plantation. The latex, which contains 25–40 percent dry rubber, is in the bark, so utmost care is required while tapping as cutting right through to the wood will result in later tapping difficult because of the deformity in the bark. Usually a panel is tapped at least twice, sometimes three times, during the tree’s life. All these depend on the skill and efficiency of the tapper because the critical factor is bark consumption. 25 centimeters of (vertical) bark consumption per year is considered to be the standard tapping in Malaysia. The latex tubes in the bark ascend in a spiral to the right. For this reason, tapping cuts usually ascend to the left to cut more tubes.

This nature of rubber tapping demands special skill which has to be acquired through training. So there is a necessity to work as an apprentice for
a certain period for earning the skills. The situation is same in every rubber plantation irrespective of the size of holdings. With the increase in the price of rubber the wages for tappers have also increased from ₹55 to ₹95–100 Per 100 rubber trees. Most of the rubber tappers tap up to ₹350 to 450 rubber trees per day. This has resulted in a commensurate increase in income to a great extent. The rubber shades is being extensively used in plantations irrespective of the size because of the increased price of rubber. It has enabled the rubber farmers to earn yield during rainy season and thereby providing employment and wages for the tappers. It has been observed that tappers used to get advances wages from farmers varying from ₹1000 to ₹5000. During the decline of price the situation was quite different. They also avail other benefits like assistance for house construction, Children’s education and also incentives during festival occasions like Onam and Christmas.

The efficiency and high skill requirement for the job has resulted in less availability of tappers. The higher wages in other unskilled jobs also is a cause for the situation. So the existing tapers are able to demand for a higher wage. In the case of Rubber, the sector has the potential of providing year round employment, when compared to other major crops in the state like paddy and coconut which are highly seasonal in nature. The phenomenal decline in the area and production of paddy and coconut over the years and the increase in rubber plantations can be attributed to the high labour cost. This is significant in the context that labour intensity in rubber plantation is relatively low when compared to other major crops in the state.

While observing the labour in small rubber plantations, the rubber farmers seemed to be offering the labourers different types of incentives. Some of them offered a few days wage in advance which was to be deducted
in easy installments with a view to ensuring continuous availability of workers. Some others gave the workers interest free loans with fairly long repayment periods. Casual workers who are employed for a fixed wage rate are often offered the additional incentive of mid-morning meals and evening tea and sometime breakfast also. It saves the working time of the labourers who otherwise may go for tea and snacks to a restaurant which may not be in the immediate neighborhood.

A cropping pattern has an implication for the demand for labour. Rubber is not generally considered to be labour absorbing. It generates demand for labour during the initial three to four years. After that maturing, the tree requires a less quantum of labour. Once the tree has grown the major source of demand for labour is in tapping the rubber. Employment in spices plantation also proves to be similar to that of in rubber plantations as spices plantations are also labour absorbing. Seasonality nature of employment is more significant in spices plantations when compared to rubber plantations as demand for labour rises in spices plantation during the maturing and harvesting time. The existence of plantation has increased the work participation in the rural areas. There is a high correlation between the plantation employment and work participation rate in the context of Kerala economy. The presence of plantation employment in the districts of Idukki and Wayanad has enabled these districts with the reputation of having the highest work participation rate in Kerala. Idukki has recorded the highest total WPR as per both 1991 and 2001 censuses.

Regarding collective bargaining and trade unionism of plantation workers is comparatively less in rubber and spices plantations, contrary to the organized nature in tea and coffee plantations in Kerala. One of the reasons
for this organized nature in tea and coffee plantations is that most of the plantations are big in size. So the work force is having a better possibility to get organized. Contrary to this, workers in the rubber and spices plantations are not organized except in large plantations because majority of pepper and rubber plantations falls under small holdings. Even in large plantations (rubber and cardamom) casualisation and contractualisation of labour hampered the collective bargaining capacity of workers.

1.4.1 Women Workers in Plantation

As mentioned in the introduction, women have occupied a very important role in the plantation labour because of the relatively unskilled nature of job. Women workers constitute about 50 percent of the total workers in the plantation sector. However, in rubber plantations only 39.9 percent women workers are reported to be employed (MoL Report, 2009). Most of the plantations are located in difficult terrains which are sparsely populated. So a large workforce required in the plantations was recruited from other areas which resulted in the migration of the whole family. As a result women workers were inducted in to the labour force because the wages to women workers were less compared to men and job in plantations required less technical skill when compared to other jobs. Women employees’ working in plantation sector is mostly confined to lower level jobs. Their occupancy in the supervisory level or other higher level of post is somewhat minimal. It can be attributed to the low level of educational qualification or lack of technical skills among the women workers.

An extensive study by the National Productivity Council (2009) on “Globalization and Gender” relationships in plantation sector, food
processing, textiles and clothing, handicrafts, and fisheries and other marine products, finds evidence of increased employment in most of these sectors after the trade liberalization. The study points to the fact that the gender-wage disparity irrespective of industry, region or location is still prevalent especially in the context of globalization. In addition, according to the report, gains in income are comparatively higher for men than women in a globalized environment. Constrained by their lack of skills, women have been pushed towards lower-paid lower-skill jobs. Even though the report states an increase in the income of women and economic independence, it cautions that “the situation is yet to achieve a notable improvement in terms of real empowerment for women, equitable distribution of household responsibilities, equal pay for work of equal value and gender balance across occupations”. It also mentions that the globalization has brought a number of benefits to the labour market in the country but the benefit received by women workers are less when compared to the male workers (NPC, 2009). A study conducted by the Ministry of Labour (2009) states that only 38.9 percent of cardamom plantations provide maternity benefits to women workers.

1.4.2 Health Issues of Workers in Rubber and Spices plantations

Health condition of workers in the plantation sector in the state is quite serious. Workers in the rubber and spices plantations are faced with multitude of health issues similar to other industries. The continuous exposure to the fresh latex during tapping process, acids used for coagulation of latex and usage of fertilizers and over use of pesticides used in the plantation directly causing allergic reactions. In spite of these allergic symptoms, the regular exposure to these above mentioned things cause respiratory problems, itching and others adds the tapper.
The overuse of fertilisers is adversely affecting the health of the plantation workers in spices plantations. As per the study report of CENTAD by Sengupta and Gopinath (2009) states that increased use of fertiliser cause severe headache, vomiting, lack of concentration, difficulty in breathing, neurological diseases like depression, lung diseases and may contaminate the water which they use for drinking and other domestic purpose.

Tapping during semi rainy days causes for the spread of fever and other fever based health issues as rubber plantations are considered to be an important hub of mosquitoes. Rubber tappers have to tap the trees in the early morning. Some of the tappers start tapping around 3 am. This results in slower digestion process, head ache, sound less sleep, sleepy mood in the day time etc.

Workers in rubber plantation also suffer from both physiological and psychological health issues (Reddy et.al, 2009). The research by Reddy et.al, (2009) found that the regular Rubber tapping has caused health problems among rubber tapping workers. It varies from simple musculoskeletal aches to more serious and complicated structural damage to bone, muscles, tendons and nerves of musculoskeletal system. The study found that themost of the workers suffers from multiple ailments like neck pain (72.2 percent) followed by low back pain (66.2 percent), shoulders pain (44.9 percent), knee pain (55.8 percent), ankles/feet pain (34.4 percent), elbow pain (33.2 percent), upper back pain (30.8 percent), wrists pain (50.1 percent) and hip/thighs pain (15.3 percent). The workers were in potential risk of neck pain and various other musculo skeletal diseases (MSD) and lung function abnormalities due to exposure to acids, which are being used for the coagulation of latex- these are the major health issues.
The health conditions of workers in the spices plantations are quite similar to that of in rubber plantations. Unhealthy working conditions including over-use of fertilizers are causing a heavy toll on the health condition of the workers making them even more vulnerable in terms of improving their livelihood.

1.5 Statement of the Problem

Plantation economy remains significant in the context of Kerala as about 85 percent of the area and production of natural rubber in the country originates from Kerala (Rubber Board, 2014). Similarly Kerala remains the top contributor of pepper production and cardamom production (Spices Board 2014). During (April to September) 2014, ₹623 crore was generated from the export of Spices from the country. In the case of natural rubber export is minimal because of the high domestic demand from rubber based industries in the country. So the sector is crucial for the economy in terms of generating foreign exchange. Because of the relative development of the plantation sector (rubber and spices) the share of employment in the sector also increased significantly. In this situation it could be rightly said that employment in plantation plays a critical role in the rural labour market (Table 1.1)

Table 1.1 Number of Workers Employed in Plantation (in Millions)

<table>
<thead>
<tr>
<th>Plantation</th>
<th>No. of Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spices</td>
<td>0.15</td>
</tr>
<tr>
<td>Rubber(small-large)</td>
<td>0.36</td>
</tr>
</tbody>
</table>

Source: Rubber Board, Spices Board, 2013

Increase in the price of plantation crops namely natural rubber and spices compared to the principal crops in the state like paddy and coconut
Introduction

resulted in the shift in the agriculture pattern in the state. Rise and fall in the prices of agriculture commodities can make significant reverberations on the employment and livelihood of workers employed therein. In India, during the post-liberalized period from the early 1990s the exposure of the plantation crops to world market has resulted in trade distortion in the form of Regional Trade Agreement (RTA) and Free Trade Agreements (FTA) has resulted exposure of the plantation crops to world market which in turn cause stiff competition from foreign markets. Drastic fluctuations in the price of plantation commodities became the order of the day because of the reduction in non-tariff barriers (NTB) and other measures of reduction in quantitative restrictions resulting in high volume of import especially from ASEAN countries. Fall in price of plantation crops resulted in increased indebtedness among farmers impacting the employment patterns in the plantations in a negative manner.

In the case of pepper, the fall in price of pepper from ₹260 in the late 1990s to as low as ₹66 in 2005-06 resulted in large scale misery to the livelihood of farmers and workers in pepper plantations. The increase in price fluctuations resulted in indebtedness among workers because the number of work days in pepper plantations was largely dependent on the price of pepper. Most of the farmer suicides in Wayanad district were because of this volatility in the price of pepper and spices (Vineetha and Nair, 2007). Farmer’s indebtedness automatically paved the way for increased problems among the labourers causing large scale unemployment of agriculture labourers. This resulted in fall in the wages and thereby causing labour redundancy and ultimately forcing them to remain poor. In addition to the historic reasons responsible for the social exclusion of workers in the
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plantation sector, price fluctuations in the post liberalized period made the employment and livelihood pattern of workers more vulnerable.

There exist several socio-economic problems as the plantation workers generally live in remote terrains in conditions with less access to education, health care, safe drinking water, sanitation, crèches, proper housing, nutritious food etc. In some extreme conditions they are susceptible even to starvation death. Hunger and malnutrition are no longer remaining things of the past as disclosed by a doctor working in the plantation areas, “We were beginning to feel that severe malnutrition was a thing of the past. Suddenly we are seeing an alarmingly steady increase in the numbers of malnourished children,” (Actionaid, 2005). Workers in plantation in India are highly dependent on plantations for food, drinking water, housing, education and healthcare (Chattopadhayay, 2005). The majority of the plantation workers are either migrants or tribes and the plantations are often situated in isolated, remote areas. When the plantations close down, the workers are left with few alternative means of livelihood (CEC, 2003). Those remain open either cut or fail to pay workers’ wages, demand tougher standards on quantity and quality from workers, replace permanent workers with casual labourers and deny legal entitlements such as adequate housing, drinking water, electricity and healthcare to workers. The crisis in plantations also results in the closure of even the health facilities resulting in some instances, the death of women during pregnancy. This has resulted in many children stopping their schooling, as they cannot afford the commutation facility, uniforms and books they need. The employees face the problem of insufficient wage rate compared to the living expenditure, which in most of the time is less than the wage rates prevailing in the state economy in many other sector or even the
wage of casual workers in the state and hence they are found to be dissatisfied with the poor living and working conditions (Joseph, 2002).

Working environment of plantation is also adverse causing a heavy toll on the health of the workers. Workers in the rubber and spices plantations are faced with multitude of health issues similar to other industries. The continuous exposure to the fresh latex during tapping process, acids used for coagulation of latex and usage of fertilizers and over use of pesticides used in the plantation directly causing allergic reactions on the workers causing decline in their human capabilities resulting in deprivation and consequently leading to social exclusion. In addition to this there are many reasons for exclusion. The condition and process leading to social exclusion of the plantation workers can be put together in a theoretical framework as shown in Figure 1.

![Figure 1.1 The condition and process of social exclusion as happening among Plantation workers: Theoretical Framework](image)

Even though literature provides enough evidence to highlight the poor employment and livelihood option of workers in the plantation sector, they
remain poor documents in understanding the livelihood pattern of workers in the plantation sector. Based on the literature as well as on the exclusion tendency that is happening in the sector has helped to develop a theoretical framework starting with the problem which in turn is linked to the human and other types of incapability’s leading to unemployment, poverty and finally to social exclusion. All these are corroborated in the existing trade implications in the plantation sector.

1.6 Literature Review

As mentioned earlier the plantation sector in the state has a very significant historic setting dating back to 19th century. The colonial presence influenced in the setting up of plantations in the state. Literature review is being done taking into consideration the historical setting of plantation labour and understanding the nature of exploitation backed by theoretical background of poverty social exclusion and the trade and poverty relationship.

Looking into the origin of plantations in the state, Raman, 1986; Hayami and Damodaran, (2004) explains that historically plantations were a product of colonialism. A dualistic system of production characterizes plantation crops. While one sector consists of large holdings (including corporate entities) employing hired wage labour, the second sector comprises of farms growing plantation crops together with other crops in smallholdings typically ranging from a half a hectare to three hectares.

Nair, (2006a) narrates extensively about the emergence of plantations in the state with the setting up of first coir factory in Alappuzha in 1859 by a European named Darragh. At least more than six decades prior to it, the East India Company was reported to have set up a large estate to grow spices in
Ancharakandy in Malabar in 1797. Two year later estate was handed over to Marde Brown. Coffee, Pepper, Clove were the major spices grown in these estates on an experimental basis. Regarding the development of plantation in Travancore province, the plantation estates were established in 1860 in the Veli hills under the guidance and direction of Vishakam Thirunal Maharaja and his Dewan (Chief Executive) MadhavaRao. In 1878, the Maharaja of Travancore had assigned 215 square mile territories from the land held by the Poonjar Edavaka (Royal Family) in the Devikulam taluk in the high ranges to one Sir Daniel Munro. In 1897 this estate came under the control of the Kannan Devan Hill Produce Company (K.D.H.P. Co). In the last quarter of the 19th century plantations were set up in Wayanad too. The German Basle Mission had started some textile mills as well as Tile factories in Kannur and Kozhikode. In 1857 the Cochin chamber of commerce was started as an association of British merchants and trading house. The leading members of the chamber were Aspin Wall, Pierce Leslie, Volkart Borthers, William Goodacre, Parry and Company, Madura Company and Harrison and Crossfields. It was under their leadership that a large number of factories and plantations were setup in Kerala at different centres.

Nair, (2006a) describes that the Pandarappatta Proclamation of 1865 and the Jenmi-Kudiyan (landlord-tenant) Proclamation of 1867 helped to create a unique rural bourgeoisie class resulting in the emergence of a new order of capitalism in the state with trading profit/merchant capital replaced by industrial capital. During this transition economic surplus was invested extensively in the highlands of the state in starting plantations with crops like tea, coffee, cardamom and rubber resulting in the establishment of large and small plantations. Plantations were owned by both locals and British
capitalists. From day one, the plantations became notorious in their treatment of labour. Following it started an era of working capital mobilisation and struggles became inevitable. In this context emerges the significance of the condition of life and labour in the plantations.

**Situation of Life and Labour in Plantations**

A detailed account of the reasons for the migration of workers to plantation areas is explained by Paul (1999) as he illustrates that most of the plantation workers came from areas where poverty was very much rampant or from places where they had limited access to means of production and from areas where many of them were indebted to local money lenders. For the workers the movement to plantations for job was more of an escape from abject poverty, indebtedness and exploitation from upper caste people as most of them belonged to the lower caste in the caste hierarchy.

Another narration regarding the permanent settlement of workers in plantation by Sarkar,(1988) narrates that the permanent settlement of workers in and around the plantations is mainly because recruitment of workers in the early stages was family based. This is due to two major reasons, first, the planters wanted cheap labour who would be permanently settled in the plantations. Second family migration would ensure uninterrupted flow of labour supply in the future.

Raman, (1991a) mentions about the dismal condition in which plantation workers employed and depicts about the structure of workforce in the plantations during those days. The workforce in the estates consisted of estate or garden labour (also known as estate coolies) and factory labour. In the early years, labour was recruited through the so-called Kanganis or jobbers
until recently when that system was legally abolished. However, due to large-scale unemployment and easy availability of labour, the employers in the plantation had begun to reduce the number of permanent workers and started recruiting more of casual labour which was quite stressful. In the early years, labour was brought from neighboring border areas of Tamil Nadu lying adjacent to the high ranges instead of recruiting Kerala labour from mid land and coast land and the exploitation of labourers were prevalent.

Looking in to the history of exploitation of plantation workers, Raman, (2002a) explains that in spite of the fact that slavery had been abolished by the mid-nineteenth century, workers on plantations found themselves no better off than slaves and bondsmen. So intensive and painful was the ill treatment faced by them. When capitalist plantation production made inroads on a massive scale into colonized southern India in the middle of the 19th century, it necessitated a mass of labour which had been made ‘free’ in a double sense: free of any means of subsistence, and free to sell their labour power. Yet, the bondage - bondage in freedom - remained for decades; with respect to the feudal Masters in the countryside first and later the planter patriarchs in the high ranges.

Kurup (1984) and Umadevi (1989) discuss the interpretation regarding early migration of labourers from various part to the plantations holds to the argument that Christian missionaries and humanitarian efforts in favour of the abolition of slavery were, in fact, primarily meant to create the free labour market that was required by the European capitalist planters. Though not explicitly stated, most of the proponents of this perspective treat the abolition of slavery as a mere piece of legislation with the hidden intention of providing cheap labour to the plantations.
Raman, (2002b), also elaborates the recruitment of labour to plantation from various places and emergence of class exploitation in the place of already existing caste exploitation and thereby making the life of workers no better. Because of the high labour intensity of plantations, the planters were compelled to recruit workers from the already emerged ‘labour catchment areas’ of Salem, Madurai, Ramanad, Tirunelveli, Tiruchirappalli, Tanjavur and Coimbatore. They were recruited - largely on a family basis by the kanganies. The complexities of the caste structure in the plains thus do not seem to have been reflected as such in the caste-class reality in the plantations. This common background ought to have helped them forge a common class identity but this was not to be, for obvious reasons. However, the fact that the lives of the dalits and the other backward communities in the plains had been full of hardships and utter misery as the degree of oppression they had had to suffer at the hands of the caste-Hindus was so intense. While asking the question of whether the shift to plantation improved the life of workers, the experiences they underwent at the hands of the European planter, seems that what had actually emerged was only a change of Masters.

Raman, (1991b) details that during the early years of plantation life was terrible for the workers. The arrangements for housing was so pitiable that the houses were built like a barrack with five to six rooms adjacent to one another and had a long common veranda in front, while behind each roof was a kitchen. But in each room there were at least two families while another family occupied the kitchen. The workers had partitioned two or even three partitions, by means of flattened out kerosene oil tins, gunny bags and wooden posts driven in to the floor. In these portioned room the labourers with their family lived in the most congested manner. Even the verandas were also partitioned into a number of
such rooms. The so-called lines and quarters were unbearably filthy and congested. Sometimes in a room besides the parents, married sons and daughters with their spouses were forced to live. Because of such overcrowding and intermingling of families, incest and extra marital relations were very common.

Nair, (2006a) details about the education background of workers and the role of Chettiar in increasing the misery of workers during the period. In terms of literacy levels around 95 percent of the workers were completely illiterate not even knowing to count upto 10. During the early 1940s male estate worker was paid 6 annas (₹0.35) and a female worker was paid 4 annas (₹0.25). Each estate had a primary school up to 4th class. The children would work in the fields till noon and in the afternoon they would go to the estate schools. The attendance was poor and the parents never cared about their children’s education. Each estate had a shop run by a Chettiar (person belonging to the merchant caste). As the workers did not have any idea of accounts, the shop owner usually fleeced every worker not only by charging them at high rates but also keeping false account. The workers were paid only once in a year. Every week an adult worker would be paid 4 annas (₹0.25) and 5 measure of rice as means for meeting the expenditure. The estate office would keep an account of the cost of these provisions issued from the estate stores at the end of the year, these amounts were deducted from the wages due to the worker for the year.

The Minimum wages committee on plantations (1952) observed that plantation workers are in a sense protected group, By force of custom and usage they get a number of amenities including free housing, medical aid, school, free lunch for children, crèches and canteen, free firewood, cumbly
allowances and recreational facilities. The per capita cost of amnesties alone ranged between 20 and 30 paise a day.

**Conditions of Health Care**

Umadevi (1989) observes that health condition of workers was deplorable and filthy. The situation was worse during the time of monsoon. They were forced to live in such unhygienic conditions like animals for such long periods, that they had lost many traits that distinguish human character and had become very much like animals in their way of living. Malaria was rampant especially during the month of March-June. Every worker would have been attacked by malaria at least once in a month. When the workers failed to join for work for a day, one measure of rice would be cut from his weekly rations from the estate stores. There was also the practice of not paying the usual chelavukasu of 4 annas (₹0.25) if the worker failed to appear for job for more than 4 days. Unable to meet the daily food and health expenditure the workers would be forced to remain in poverty during those days or they need to borrow money from money lenders at an enormous interest rate for meeting the expenditure.

**Terms of Employment**

Raman,(1986) illustrates regarding the terms of employment, the coolies were engaged not by the estates, but by the maistries. A maistry used to come up with 25 to 100 workers in a gang from the plains and bring them to the estate for which he was given commission. In the interest of his commission, In the interest of his commission, a maistry would try his level best to see that every worker went for work every day. Even persons with fever were forced to go for work by the maistry.
Umadevi (1986) mentions the moment a worker came to the plantation estate his fate was decided. If the worker was single, he could never go back to his native place because he will be having no money left after the annual settlement of his wages. Many of them will be indebted heavily either to the plantation owners or to nearby the shop owners. So unless a worker paid his debts, he would not be allowed to go to his native village. The coolies were virtually locked up in their lines and rooms. There would be a watchman around and the workers were not allowed to go out except to the work spot accompanied by the watchman. All these resulted in forcing the workers to remain in permanent indebtedness and thereby in to the vicious circle of poverty.

Moser and Young (1985) narrates in detail about the exploitation of women workers in plantations during the early days. Women workers were unpaid and invisibilised, or poorly paid and marginalized. The workers were made completely dependent on their employers for every necessity of life.

Behal (1985) narrates that prime reason for the situation was that the planters considered intervention in the social and personal lives of laboures as part of their ‘paternalist’ obligation. The geographical features of plantations including vastness and isolation and lack of communications and transport act as obstacles in organizing labour protest. Disease, malnutrition and a high rate of mortality were the harsh realities of plantation life for the labourers.

Behal (1985) explains that the various features of the plantation structure such as restrictions on mobility, enforced isolation, social and physical control of the workers were the major constraining factors. Within
this plantation structure the planters consciously and effectively perpetuated the social and educational backwardness of the tribal and semi-aboriginal labour force.

MoL, Govt of India (2009) reports that the situation of workers in plantation workers have not changed over the years as the exploitation of workers is still very much prevalent. The situation is very significant in the context as women workers constitute around half of the total workers in the plantation sector. Women work participation is very high in plantation sector contrary to other sectors.

Vishwanathan, et.al (2003) discuss about the present condition in small rubber plantations. The structural changes happened in rubber small-holdings by the declining size of operational holdings resulted in the non-availability of adequate tapping task from a single grower, leading to the emergence of multiple grower dependence in traditional rubber-growing regions in the state. But due to the highly dispersed structure of small-holdings and the uneconomic size, the tappers are unable to get adequate tapping task even in the scenario of multiple grower dependence. Hence the tappers are deprived of adequate earnings from tapping and even highly skilled and experienced tappers are unable to earn comparable wages vis-à-vis their counterparts in general which has resulted in the withdrawal of skilled and experienced tappers from the market on account of the prevailing lower and stagnant wages and lack of interest among younger generation in tapping. These issues raise the critical question on the socioeconomic conditions of tappers and labour availability in rubber small-holdings in the state.
Rajasenan and Rajesh (2014) illustrate that the workers are more deprived in terms of employment and livelihood assets in the case of spices plantations when compared to rubber plantations.

**Poverty and Social Exclusion**

Sen (1981) defines poverty as a living condition resulting from the individual’s inability to carry out certain primary functions, or to satisfy certain primary needs, because of the reduced possibility of obtaining adequate resources (either income or goods). Poverty thus defined is caused by reduced access to certain goods and resources, not by the lack thereof. The labour market, the state, and the family are the environments and thus the subjects’ position on the job market, the welfare services they can access, their family and ethnic context and social networks play a fundamental role in influencing the livelihood of an individual or society. Any failure in access to these basic condition forces the individual or society to the process of social exclusion.

Sen (1983; 1999) also pinpoints that the lack of capability of individual to perform his function is also responsible for poverty. So while estimating poverty individual’s well-being or quality of life should be assessed in terms of individual’s capabilities, ability or potential in achieving certain things or functions. Functions could be elementary like basic education and health attainments whereas complex functions include the capability to socially integrate. All these functions depend on how individuals attach weight to these functions. Capability approach thereby features the ability of the individual to perform his/her function or a combination of function based on their particular situation or circumstances. Any lack of these capability leads to the situation of poverty and thereby social exclusion.
Chambers (1989a) explains that the concept of poverty have a strong correlation with the concept of social exclusion as deprivation of basic need can perpetuate poverty thereby forcing them to remain socially excluded. Poverty analyses do not only count the poor, but study the ‘correlates’ of poverty: characteristics such as education, labour market status, gender and location, that are correlated with poverty status which are necessarily important factors while understanding social exclusion.

According to Chambers (1989b), poverty and vulnerability differs significantly with poverty as a concept dealing more with lack or want of needs whereas vulnerability as a concept deals with individual or society’s insecurity and the exposure to greater risk and shocks thereby vulnerability captures the different facetsof deprivation whereas poverty fails to capture those.

DFID (2005) defines social exclusion as ‘A process by which certain groups are systematically disadvantaged because they are discriminated against on the basis of their ethnicity, race, religion, sexual orientation, caste, descent, gender, age, disability, HIV status, migrant status or where they live’. Discrimination also occurs in public institutions, such as the legal system or education institutions and health services, as well as social institutions like the household etc.

DeHaan(2002) illustrates that social exclusion is a broad concept which is multi-dimensional in nature with two defining characteristics of exclusion. One main form exclusion comes in the form that people may be excluded from livelihoods, employment, earnings, property, housing, minimum consumption, education, the welfare state, citizenship, personal contacts or respect. The other
one being narrated is that social exclusion implies a focus on the relations and processes that cause deprivation.

Silver (1994a) and Labonté et al. (2011a) details that the concept of social exclusion need to viewed on the basis of multi-dimensionality of deprivation based on the fact that people are often deprived of different things at the same time. It refers to exclusion (deprivation) in the economic, social, political sphere and cultural activities at a level considered to be normatively acceptable.

Labonté et al. (2011b) define that concept of social exclusion corresponds with and contains within it the concepts of poverty, capability and deprivation thereby an accumulation of social disadvantage of people with respect to material resources, social and economic participation and personal growth.

Silver (1994b) narrates regarding how social exclusion pops in the society. As group formation is a fundamental characteristic of human society that itself is accompanied by the exclusion of others who are not organized. The social exclusion concept is much more than mere deprivation as the process takes us beyond mere descriptions of deprivation, and focuses attention on social relations and the processes and institution which perpetuates deprivation and thereby social exclusion is more significant.

Powell (1995) explains that the concept of relative deprivation is more connected to the concept of social exclusion as it is often referred that the surge in inequality in various parts of the world has enabled in the formation and popularity of the concept called social exclusion. The association of poverty with a more diverse social setting has led to the broader concept of
social exclusion in which material deprivation along with the inability of the poor and deprived to exercise their social, cultural and political rights as citizens.

Trade and Poverty and Labour Market

Promotion of trade is supposed to alleviate poverty in developing and underdeveloped countries as increase in trade to these countries enable themselves to explore new markets.

Winters (1999) claims that the classical link between international trade and poverty in developing countries is through the labour market because the increase in international trade enable the nation to export more of labour intensive goods which will enhance the demand for labour in the labour markets of developing countries if people living under the poverty is part of that labour market. But the chance of increasing the job opportunities and thereby improvement of poverty of these people depends on the operation of these labour markets. Increase in trade or free trade is meant to increase real wages of workers but there arise the question of who would be the actual beneficiary whether the un-skilled labour or the skilled labour.

Bhagwati (2003) narrates that trade is to be considered as engine of growth because trade promotes growth and growth reduces poverty and the openness of economy tends to bring significant improvements in nations efforts to reduce and mitigate poverty. Arne, et.al (2007) explain that the poverty impacts of trade policy are depended heavily on how the increase in demand for labour is transformed to the whole of the economy through higher wages, increased employment. From the perspective of the poor how
markets for unskilled labour and agriculture benefit from trade is most important as majority of the people under poverty in the developing countries are either uneducated or unskilled in nature.

Goff and Singh (2013) illustrate that certain pre-conditions are necessary to reduce poverty even though trade improves. Trade tends to reduce poverty only in countries where financial sectors are deep, education levels high, and governance strong which will capture an economy’s ability to reallocate resources to more productive purposes which will help the country to take advantage of increase in international trade. So the setting of this primary condition in addition to trade liberalisation will only enhance trade and increase jobs for domestic population and thereby reduce poverty.

Whereas Santos (2012) pinpoints to a different viewpoint regarding openness of the economy and increase in international trade between countries. Increased openness of economy tends to be linked with a higher volatility and vulnerability of poor households to economic and financial flows. Regardless of the increase in international high growth rates and remarkable trade performance, large proportion of the population in developing countries still live in extreme poverty because of the failure from the part of governments to initiate structural changes in the economy which deprived the large sections of population from enjoying the benefits of growth.

1.7 Objectives of the study

- To understand the area, production, productivity trends of plantation commodity in the state
Chapter 1

- To understand the trade impact of plantation commodities to India-Kerala economy with special reference to ASEAN FTA
- To assess the socio economic condition of plantation workers in Kerala thereby identifying their livelihood assets
- To ascertain the factors bringing about the exclusion of workers and their quality of life

1.8 Hypotheses

- $H_0$ There exists income difference between workers in plantation sub sector
- $H_0$ Disparity in livelihood assets among rubber and spices sub-sector is persistent
- $H_0$ There is marked disparity in the quality of life between large v/s small plantations
- $H_0$ Trade liberalisation has made the plantation sector more vulnerable

1.9 Scope of the Study

There have been numerous studies on the price and trade impacts on the plantation sector but only a few tried to highlight the employment and livelihood of the workers in the plantation sector especially in rubber and spices plantations. The study tries to understand the area and production trends of natural rubber and spices and to find the relative exposure of the country in the international commodity market of natural rubber, cardamom and pepper. Hence the analysis based on the socioeconomic status of the plantation workers as result of the trade implication is specifically important.
As this study focuses especially on the employment and livelihood and associated dimension of social exclusion that is happening in the sector using a wide spectrum of parameters and hence has immense scope for development oriented welfare schemes targeting the poor workers in the sectors.

1.10 Methodology

The study, by and large, is primarily focused on identifying the livelihood, employment and trade implications in the plantation labour. But study is tailored to understand the inter-plantation disparity of livelihood and employment of the workers and hence based more on sociological perspective, whereas the trade aspect of plantation is purely an economic concept. Therefore, this study intends to use both descriptive and analytical approaches for drawing inferences integrating sociology and economics. For this purpose both primary and secondary data have been used.

1.11 Data

Primary data at the individual and household levels were collected to understand the employment patterns and livelihood assets of plantation workers. To supplement primary data, discussions were carried out with trade union activists, social workers and government officials engaged in the area. The major secondary data source is UN Comtrade database on plantation commodities, in addition to this other secondary sources from various international multilateral agencies including ILO, UNDP, IDRC and Government departments and commodity boards have also been incorporated.
Figure 1.2 Sampling Design

1.12 Scheme of the Study

The study is divided among six chapters. Introduction, literature review, research Problem, methodology form Chapter 1. In chapter 2 national trends vis-à-vis performance of Kerala in terms of area, production, productivity of Rubber, Pepper and Cardamom are analyzed and compared. Chapter 3 gives an elucidation of the details regarding the trade dimensions (world and ASEAN) in terms of plantation products. Chapter 4 highlights employment pattern and livelihood assets of workers in the plantation sector based on primary data. Chapter 5 too is a measure with the help of primary data to understand the amplitude of income, consumption, education and associated disparity of workers among the sub-sectors which in turn would help to illumine the quality of life among the workers in the plantation sector. Chapter 6 concludes the study with policy suggestions it also gives an idea about future research agenda.
1.13 Chapterisation Scheme

**Background of the Study, Literature Review, Research Objectives, Sampling Design, Chapterisation scheme**

**Chapter - 1**

**Economic Importance of Plantation Sector in Kerala**
Share of agriculture income in total state GDP, Important Agriculture crops and their share in total agriculture income, Area, Production and Productivity trends of natural rubber, Pepper and Cardamom-All India - Kerala, District-wise trends in area, production and Productivity of natural

**Chapter - 2**

**Trade Significance of Plantation Commodities**
Global Trends in Production and Consumption of Natural Rubber, Pepper and Cardamom-Export and Import trends of natural rubber, pepper and cardamom in India-Trends in Price of natural rubber, pepper and cardamom- Trade Intensity with World- ASEAN-Herfindahl Market Concentration Index with World--ASEAN-Gravity Model Analysis

**Chapter - 3**

**Employment and Livelihood of Workers in Plantation Sector**
Employment Trends in Large Rubber Plantations, Small Rubber Plantations, and Spices Plantations-Price and Employment relations-Understanding Livelihood assets of workers on a Livelihood framework

**Chapter - 4**

**Income, Consumption, Indebtedness and Nature of Exclusionary Trend among plantation workers**
Income and Consumption Trends of workers, Indebtedness among the workers-Standard of Living and Social Exclusion among Plantation workers

**Chapter - 5**

**Concluding Observations**
Area, Production and Productivity Implications, Trade Implications, Socio-economic Condition of Plantation Workers, Evaluating Quality of Life and Exclusionary Trend among Plantation Workers, Policy Suggestions Scope for Further Research

**Chapter - 6**